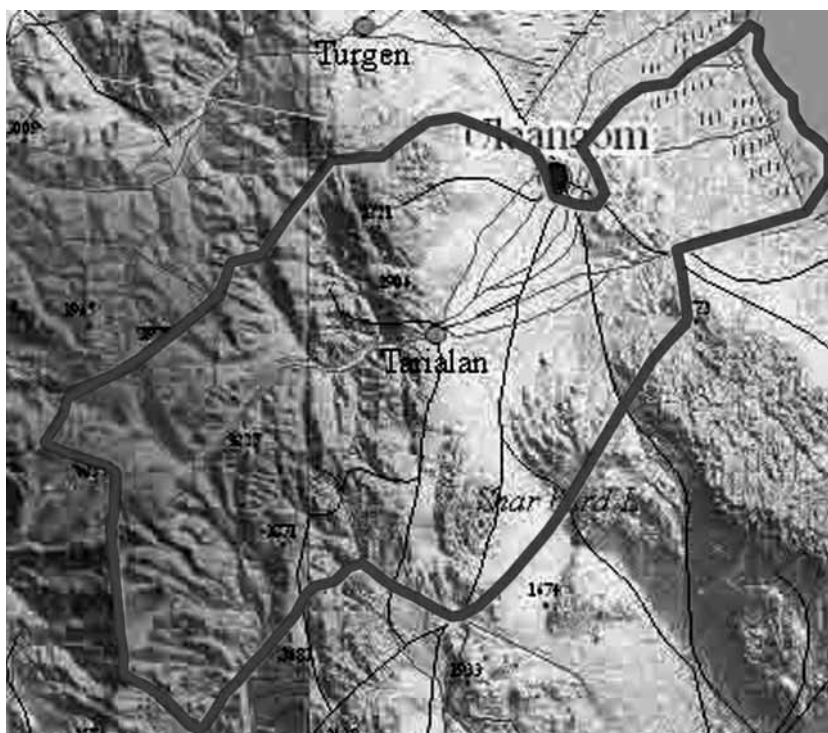

SOUM ECONOMIC DEVELOPMENT STRATEGY 2007 – 2015



Kharkhiraа, 2007



Open Society
Forum



Local Government &
Public Service Reform
Initiative



Center for Policy
Research



Tarialan soum

This strategy has been written by the soum administration and the soum core team with the input and contribution of soum citizens, representatives of public institutions and enterprises with advice from the Open Society Institute, «Local Government and Public Service Reform Initiatives», the Open Society Forum and the Centre of Policy Research. The OSI, LGI and OSF take no responsibility for the content of this strategy.

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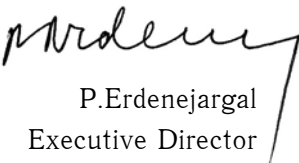
Foreword

Some of the foremost development goals for transition economies, like Mongolia, include creating favorable business-enabling environments for the newly emerged private sector and designing integrated, multifaceted and self-committing plans for local economic development (LED).


Over the last year the Open Society Institute and Open Society Forum have initiated a process in 4 Mongolian soums to build local stakeholders' capacities to better plan and manage future development needs. This process, called «Developing Economies Locally through Action and Alliance» (DELTA), was adapted from previous OSI and World Bank experiences in Eastern Europe. The principle idea was to bring together large segments of the local population, including the government, the private sector and civil society to analyze possible opportunities, create a vision, goals and objectives and then to elaborate specific and prioritized projects and steps to achieve that vision.

This strategy document which you have in front of you, and the implementation process that has been initiated, are two of the primary tangible outcomes of the project. What is less visible are the new partnerships for development that have been formed at the soum level and the new way in which the soums are «doing business», i.e. in a more inclusive and participatory fashion. The planning methodology can and should be applied to various other decision-making processes in future.

We would like to avail of this opportunity to express our gratitude to the people of Tarialan soum, Uvs aimag, as well as the Center of Policy Research and all other experts who contributed to the successful development of this strategy.



P. Erdenejargal
Executive Director
The Open Society Forum



Scott Abrams
Deputy Director
Local Government and Public Service
Reform Initiative
OSI-Budapest

Acronyms

DELTA	«Develop economy locally through alliance and action»
LEDS	Local economic development strategy
LBES	Local business environment survey
SME	Small and medium enterprise
LGPSRI	«Local Government & Public Service Reform Initiative»
SEDS	Soum economic development strategy
SGO	Soum Governor's Office
SCRKh	Soum Citizens' Representative Khural
PSCRKh	Presidium of the Soum Citizens' Representative Khural
OSI	Open Society Institute
OSF	Open Society Forum
LGI	Local Government and Public Service Reform Initiatives
CPR	Centre of Policy Research

Vocabulary

Aimag	A rural highest administrative unit (province)
Soum	A mid-level administrative unit under aimag
Bag	The lowest administrative unit under soum
Negdel	Agricultural cooperatives that existed during the centrally planned economy and ceased to exist from early 1990s
Ger	A traditional dwelling known elsewhere as yurta or tent
Khashaa	An enclosure/fence in ger district put around certain land plots to separate one from other



Governor's address

The Tarialan soum has 1100 families with 4900 members and herds counting for 135.8 thousand head. Three out of six bags have a kindergarten, a primary school and bag medical service. Traditionally, our people herd livestock and farm crops in a primitively integrated way. It is a soum with a growing mining industry, development in cultivation of berries, especially the seabuckthorn, setting up husbandries of semi-intensive type, and settled farming style have been on the rise.

The Khoton people who represent a unique ethnic minority in the region make up 85.6% of the soum population. We, the Khoton people are famous for the prominent folk dancing and musical performance - *bii khuur* and *biilgee*. They are magnificent, hard-working people with inimitable religious customs. So, people of Tarialan soum preserve a lifestyle adapted to both the sharp and very continental climate and the landscape - an assembly of ranges of Kharkhiraa, Myangan and Khukhii high mountains and the transient lowlands to the shores of Uvs Lake.

These days, when the transition to a market economy comes to its end, with marked trends in the national economy to stabilize and grow, needs for the timely and realistic adjustment of the long-term perspectives of local economic development become even more real and challenging. In this historic time, our soum was selected as the site for the OSI/OSF «DELTA - Develop economy locally through alliance and actions» project. As a response to the highest trust by the project implementing agencies and as selected amongst over 330 soums nationwide, the soum community and stakeholders worked hard, mobilizing all their potential. We achieved our main task to develop a comprehensive document - the Mid-term LED Strategy of Tarialan soum. The first thing I would like to highlight is that the strategy opens a brighter future to us to solve local development policy and local economic strategies in an integrated and interacting manner based on local commitments and partnerships/participation.

The philosophy behind the strategy is to create a favorable environment for cooperative economic and business development. It aims to achieve its goals based

on the hard work and talented dignities of the people, beautiful natural surroundings, and uniqueness of the historical and cultural heritages, promote the commitment and participation of indigenous and resident population, researchers, students, business enterprises, public institutions in the LED implementation and provide support to the strengthening of transparency and accountability.

It is our pleasure to highlight that the DELTA project brought a new idea to public-private partnerships inspiring participation and contribution of the community to the improvement of the environment enabling the soum economy and businesses to grow. The programs and projects incorporated in the strategy are designed to integrate the multiple tasks and intentions to improve public services and the business development environment. Therefore, a successful implementation of the project will significantly contribute to the appropriate resolution of key problems of the national development priorities concerning raising local budgets, SME development, new jobs and reduction of rural poverty.

Our soum possesses a strong potential for accelerated and self-determined development. The nearest example is that our closeness to the aimag centre creates a unique opportunity to run a variety of businesses and services targeting the markets and consumers of the city of Ulaangom. The soum government should be in the lead to implement, monitor and update the strategy, so that soum economic development is in step with the changing domestic, external economic and political environment. All this means that the stakeholders must work towards bringing new opportunities and potential so that the soum becomes self-supporting.

The DELTA-target soums have a common problem - a shortage of finances and financial sources that obstructs local development. By saying this, I would like to stress that our efforts and attempts alone will never be enough to achieve the strategic goals. Therefore, commitment and willingness of the soum community and other national and international agencies to put forward their best efforts and devote their experiences and resources are of great significance so that the common vision, goals and objectives laid out in this strategy can be achieved.

While presenting this brochure, therefore, I would like to express our commitment to welcoming all incentives and initiatives taken by donors, investors, financial and civil organizations to cooperate with the soum and assist them for the prosperity of our community and success in its economic and civil development.

It is worthwhile to express our gratitude to the staff of OSI, OSF and CPR for the invaluable support they devoted for the creation of the strategy. Sincere thanks are extended to Mrs.Ts.Gombosuren, Ch.Surenkhorloo and M.Lkhagvasuren for excellent teamwork and to other citizens, public institutions and businesses for their kind cooperation and partnership in this project.

S.Tsolmon
The Soum Governor

Introduction

As part of nationwide socio-economic reforms in Mongolia, the soum administration and businesses must pay more attention to and further expand upon the current development-oriented changes in the life of Tarialan soum and work to distribute evenly the benefits of development to all stakeholders. New development goals have given the soum communities the task of strengthening the capacity of local businesses to compete for new markets as the basis for future prosperity. The soum economy has experienced strong progress over the years of the transition to a market economy. Prior to the transition, production and services in the soum were fully dominated by large state and cooperative owned businesses, which now have been taken up by private small and medium economic entities.

The time has arrived to initiate strong measures and real action to attract investors and donors to help finance economically sustainable development at the soum level. There is a great need to deepen the partnerships between local government and private sector with an eye towards improving local business-enabling environment. The public services and regulations enacted by soum government and associated public organizations must respond to the challenges facing local businesses and allow them to actively work towards the advancement of the local economy.

Local administration and communities face enormous challenges to bring new concepts and approaches to create sustained economic growth, activate soum businesses and improve the quality of life of soum citizens through heightened competitiveness and productivity of local businesses.

An effective soum must work strategically to maintain and empower existing businesses as well as to create an environment for the development of new businesses and sustainable investment. This is a serious challenge for communities to work together to find better ways to make better use of exiting resources and define the priority areas, which serve as the vehicle for bringing more products and services to local and neighboring markets and the backbone for designing a complete mid-term strategy for the development of soum economy. This approach has been identified as the best means for the soum to use its potentials and resources cohesively and coherently to achieve our goal of sustainable economic development.

Throughout the exercise, a core principle to work with local societies in close interactions through wider participation of soum people was strictly followed so that there are good correspondence and interrelations between the goals and objectives as well as the projects of the strategy and the commitment and preferences of

partners and stakeholders. In this way, the work on the designing a soum economic development strategy went well. Similarly, it was ensured that each portion of the different categories of stakeholders has its part in the progressing of soum economy and quality of people's life.



PART 1

COMMON ISSUES OF THE SOUM LED STRATEGY

1.1. Importance of the soum LED strategy as a guideline document

The completion of the task of designing this LED strategy was the direct result of the timely and responsive assistance provided by DELTA to our soum. The importance of the strategy development process can best be described as: «the soum administration, businesses and citizens being provided with the unique opportunity to talk to anyone and any organization on a variety of issues concerning the priorities and challenges of soum economy, without being red-faced». The complete and enhanced document «The mid-term strategy for economic development of Tarialan soum» that illustrates local concerns and commitments can serve as a guiding document in a broad spectrum of talks and interactions.

Prior to the commencement of the DELTA project the need to revise and re-formulate the conceptual and strategic issues concerning the future of soum development was not completely new to soum government. For many years, however, this had been a great challenge for the soum administration and organizations engaged in local public services. While the issues of improving the quality, availability and efficiency of public services, the environment for enabling growth of local businesses and streamlining the efforts of government to better support local businesses had been brought to the table, lack of well-guided methodological and professional support and information regarding the most efficient and feasible ways of formulation of long-term development strategies had been a serious stumbling block to development.

The soum government had previously made efforts to diversify local businesses into different markets and to bring about cooperation between administration and private sector. However, the means and approaches taken were simply not effective. The immediate task was to revitalize local economy and set up mechanisms that streamline economic development towards more sustainable operation and wider cooperation.

In the current situation, local businesses find it difficult to expand and diversify their businesses and almost every attempt to open new business ends in failure. One common reason often given is lack of reliable financial sources to support business growth. Nevertheless, a weak business-enabling environment has a considerable amount of negative impact on the viability of existing and new businesses.

Regardless of the difficulties, it is time for the soum government to move away from its previous position as an inactive observer or a direct interventionist and make a decisive shift to be a partner and an initiator, providing legal and official support to development of local businesses to promote economic growth, new jobs and a higher quality of life.

The experiences and lessons from the process of designing the soum LED strategy confirms that the soum government is fully capable of integrating various business communities and promoting local stakeholders applying various forms of cooperative techniques. Now the motivation, support mechanisms and new mentality is available, to create efficient regulations and business organization.

The soum LED strategy that has been developed through joint and committed input of the implementing and executing agencies symbolizes the future prosperity of our soum.

1.2. Background and Justification

The soum LED strategy that has been developed with commitment and active participation of soum communities represents the outcome of their cooperative effort, seeking the closest and most feasible ways of participatory identification of the priority and future direction concerning improvement of the local business-enabling environment. Realization of such outstanding issues will lay the foundation for stakeholders to access the benefits of strategy implementation.

The techniques that have been developed by the soum government to implement the local development policy are powerful factors that will bring direct and indirect measurable effects on the quality of the services to foster the utilization of internal opportunities/strengths and managing the external favorable situations and maintenance/diversification of existing businesses and attract investments.

The goal of any good government is to serve to create a favorable environment that is accessible equally to all businesses and local stakeholders. In this respect, the size of business is not that factor which links the business-enabling environment with local businesses. Therefore, a single principle had been strictly followed throughout the development process of the soum LED strategy, which is that the soum government should work and cooperate with individuals and enterprises engaged in production, processing and services without any discrimination on the basis of the ownership and size.

The LBES and SWOT analysis, which were developed prior to the strategy, provided the soum administration with valuable information and data. The findings represented local views and perceptions about the current situations and ideas concerning the future directions of soum economic development. The strategy is, therefore, a result of joint and committed efforts of both the soum administration and community and represents a synergy of the dreams and desires of local people and institutions on how to reach a greater level of economic well-being.

In designing this strategy, a number of important and influential factors of the region such as the human and natural resources, current and future economic prospects and cultural and historic heritage were taken into a careful account and consideration. Finally, attempts were made to bring every opportunity in the strategy that is allocated by the comparative strengths for improved economic performance and long-term visions and commitment of soum citizens along with their perceptions and assessments of the future of our society.

The legal basis for the creation of a soum economic development strategy is clear and reflected in the major laws of Mongolia. Local self-governance powers are sanctioned

by the Article 8.1 of the Law of Mongolia on «Administrative and Territorial Units of Mongolia and Their Administration», which states that «the administration of administrative and territorial units are empowered to organize problems associated with the local economic and social life on their own», ...»soum and district Citizens' Representative Khural shall be entitled to debate and make appropriate decisions on local economic and social, and organizational issues». Article 18.2.1 of the same law permits local government to take a leading role in local development planning saying «approve long and short-term directions of territorial economic and social development and amend such directions».

It would have been impossible to create this strategy without the tremendous support and input of the private sector. The process created great expectations among the soum citizens, inducing a common understanding that all stakeholders who have contributed to the design of the strategy should be aware of their responsibility for materializing the local expectations with successes and likely outcomes from the strategy.

All citizens, businesses and the local administration sincerely hope that the strategy, which represents the fruits of our cooperative effort, will be successfully implemented. The responsible allocation of existing resources, capacities and strengths will help us achieve our vision, through the successful implementation of our community defined development.

The mid-term soum economic development strategy was approved by the decree of the session of the SCRKh of June 29 2007. The Representatives expressed their satisfaction that the strategy has covered all the spheres of the outstanding development areas of the creation of favorable environment for soum business development.

1.3. The philosophy behind the soum LED strategy

The overall theme of the strategy has been designed to help facilitate effort and participation of local stakeholders for improvement of the local business-enabling environment and identification of the primary directions in which donors and investors can best address local needs with assistance and support. The soum LED strategy has been developed from the local knowledge of the soum government, businesses and public to address the immediate and long-term challenges that hinder improvement to the business-enabling environment.

The methodology utilized at each stage of strategy development draws on the most modern concepts of local economic development.

The major approaches of the soum LED strategy are:

- To improve the quality of public services and to achieve constant economic growth through strong links between the development strategy and all levels of the soum community.
- Based on local knowledge and ideas the community will determine projects that could be pursued by the soum government to facilitate expansion of existing, and development of new, businesses.
- Provide tangible examples to the community on how the process of creating a long-term community vision, with goals and objectives can be set as a strategy through the collaboration and creativity of local decision makers and communities.
- Among local communities, create a common understanding and acceptance of LED planning as a tool that leads local stakeholders towards the promotion of local economic progresses and creative participation and contributions
- To provide local businesses and public service providers with the opportunities and potential to utilize the strategy as a community-devoted tool to approach potential donors and investors who can provide sources of financial and technical assistance
- Create an environment that fosters by a collaborative climate, enables transparent and effective governance and responds to the needs and challenges of the community for the development of a prosperous economy and businesses.



PART 2



THE PROCESS OF DEVELOPMENT OF THE SOUM LED STRATEGY

2.1. Principles and Methodology

The Soum LED strategy development process followed a strict methodology, which enabled us to take advantage of various means of encouraging a wider and more committed participation of soum citizens. The community at large was able to take part through the LED structural units, consultations, and general discussions. The voices of different segments of society were heard and taken into consideration through grassroots participation, which allowed us to find a common and comprehensive solution to the issues preventing sustainable economic growth in our communities.

A. Guiding principles. The leading principles for the successful creation of the strategy were:

- Economic growth and business development must be balanced with challenges in social life environmental protection and quality of life of all citizens in the community.
- The local government has a role to play in the improvement of the climate for local business development and investment.
- Facilitate public-private collaboration and partnerships to develop sustainable economic growth.
- Application of a holistic approach towards strategic planning that is institutionalized at the soum government level
- Give as much importance to sustaining existing business as to the attraction of new business as both are the key to sustainable economic growth.
- Focus more attention on mobilization and utilization of internal resources and strengths rather than relying totally on external resources for development.
- Use a participatory approach as a collective decision-making tool to pursue soum economic development policies and strategy

B. Methodology. The core DELTA methodology was developed and widely applied by the World Bank and OSI/LGI to the design of economic development strategic plans for several communities in Kosovo and Albania. This methodology is considered the best and most systematic among other methods for managing the LED process; ensuring a consensus among the soum community for well-grounded development of a vision statement, goals and objectives and individual development projects that specifically support the business enabling environment. The basics of the methodology that applied to the design of the soum LED strategy rested upon the coordination of local efforts and resources towards achieving sustained economic growth and better quality of life of soum citizens through creation of a well-balanced environment for advancement in local business development.

2.2. Organizational Approach and Regulation

The organizational approach applied to the process the strategy development was devoted to ensuring a partnership-based participation of the soum administration and representatives of groups of local stakeholders through a direct and institutionalized process.

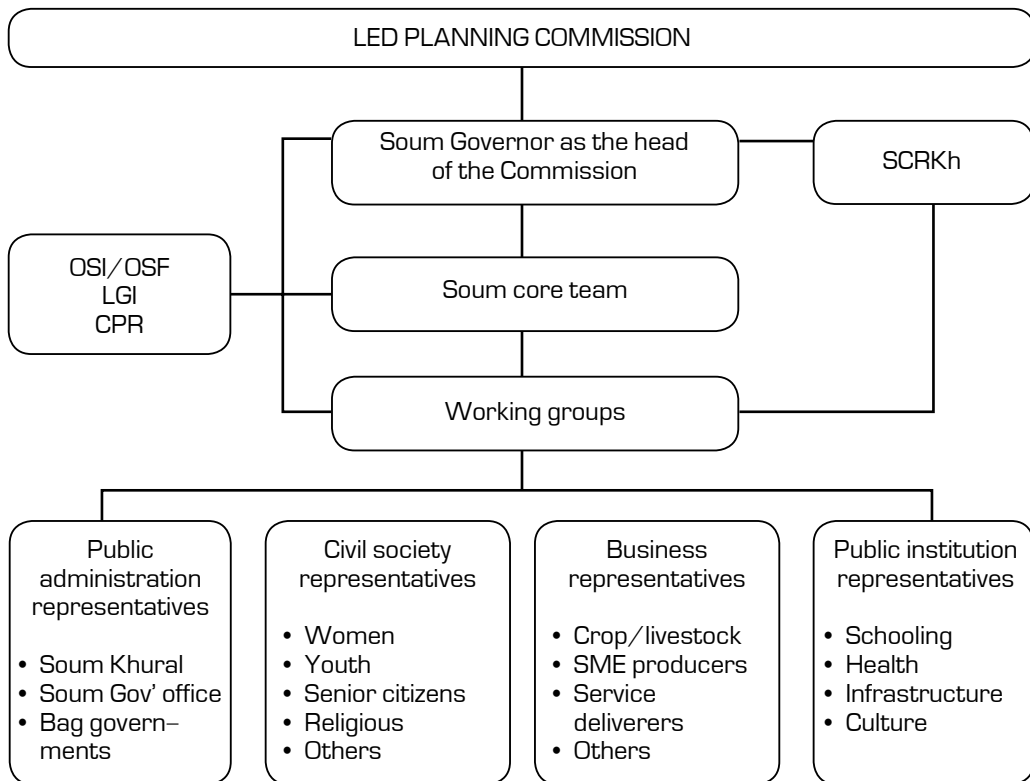
This participation was enabled through the establishing an independent and institutionalized structure responsible for development, implementation and monitoring of the soum LED strategy and sanctioned either by the soum Khural or Governor.

The Planning Commission. This Commission headed by the soum governor is the main decision-making body for all issues related to the design, supervision and monitoring of the implementation of the strategy. The commission includes the most experienced and committed citizens and served as a good environment for fruitful discussions, consultations and efficient decision-making. Apart the governor, chairman of soum Khural and members of the soum core team, the Commission includes 2-3 people from each of the working groups, which are underneath of it.

The Commission played a lead decision-making role throughout the process; developing, reviewing and approving the strategy each step of the way. It will continue to remain active over the life-span of the strategy as a coordinating body. Apart being the body largely involved in the coordination of the design of LED strategy, the Commission played an important role to ensure broad and committed participation and dialogue between different layers of public and private establishments.

Apart from being the body largely involved in the coordination of the design of LED strategy, the Commission played an important role in ensuring broad and committed participation and dialogue between different layers of public and private establishments.

Representation of local stakeholders in soum LED strategy development process



The composition of the Planning Commission:

- | | |
|---|---|
| 1. Mr. S.Tsolmon
Soum governor, a representative of
soum SCRKh (member, soum core
team) | 6. A.Jamsran
Private business |
| 2. Kh.Batchuluun
Chairman, SCRKh | 7. J.Namsrai
Soum vet., Representative of SCRKh |
| 3. D.Gombosuren
Deputy governor & representative
of State Treasure (head, soum core
team) | 8. S.Nyamsambuu
Food & agricultural officer,
Representative of SCRKh |
| 4. Ch.Surenkhorloo
Secretary, SCRKh, (member, soum
core team) | 9. S.Maygmarsuren
Manager, the secondary school |
| 5. M.Lkhagvasuren
Head, «Tuya-Uvs» cooperative
(member, soum core team) | 10. G.Khureldee
Citizen |
| | 11. I.Tseelei
Head, Women's Association |
| | 12. Kh.Khutuu
Herder |
| | 13. S.Nyamsambuu
Herder |

The Working Groups. There are set up four working groups advisory to the Planning Commission, involving representatives of key stakeholders. One of the members of the core team heads each group. The idea of establishing working groups was to bring an extended presentation of the local stakeholders in the process. The groups acted as a liaison between the grassroots and the soum DELTA management.

Public Administration Representatives:

- | | |
|--|--|
| 1. Kh.Batchuluun
Chairman, SCRKh | 7. Kh.Togtokh
Governor, Khukhuu bag |
| 2. N.Khadaakhuu
Head, Governor's office | 8. Mo.Jamsran
Head, Soum hospital |
| 3. P.Erdene
Chief accountant, governor's office | 9. B.Zulaa
Accountant, Soum hospital |
| 4. S.Nyamsambuu
Food & agricultural officer,
Representative of SCRKh | |
| 5. M.Choisureen
State nature and environment
inspector, governor's office | |
| 6. Ya.Norov
Tax inspector, governor's office | |



10. **N.Ichinkhorloo**
Social insurance inspector, soum governor's office
11. **T.Baatarsaikhan**
Social welfare staff, governor's office
12. **G.Baasanjaw**
Accountant, Secondary school
13. **Kh.Tmenjargal**
Head, Cultural center
14. **Ch.Tsogoo**
Environment protection officer

Civil Society Representatives:

1. **T.Sambuu**
Officer, Governor's office
2. **B.Mashlai**
Business entrepreneur
3. **Kh.Ouyuntsetseg**
Business entrepreneur
4. **G.Khureldei**
Citizen
5. **M.Byambaa**
Teacher, Soum Distant Learning Team
6. **I.Dorjsuren**
Local staff, «Index-based livestock insurance» project
7. **M.Dulamjaw**
Librarian

Business Representatives:

1. **U.Auyuysh**
Business entrepreneur
2. **J.Namsrai**
Head, Private veterinary cooperative
3. **Ts.Damdinsuren**
Business entrepreneur
4. **A.Jamsran**
Business entrepreneur

15. **Sh.Davaasambuu**
Doctor, Myangan bag
16. **B.Dush**
Manager, Primary school
17. **B.Battulga**
Teacher, Secondary school
18. **S.Maygmarsuren**
Manager, Secondary school
19. **A.Tolya**
Head, Soum Kindergarten
20. **B.Battugs**
Teacher, Secondary school



5. **Bag.Jamsran**
Accountant, «Tuya Uvs» cooperative
6. **O.Tsonkhio**
Business entrepreneur
7. **U.Agvaandorj**
Business entrepreneur
8. **T.Jaw**
Business entrepreneur
9. **B.Naidan**
Business entrepreneur
10. **U.Altansukh**
Business entrepreneur

Herders Representatives:

1. **B.Otgonbayar**
Herder, Mayngan bag
2. **U.Batchuluun**
Herder/haymaker, Khukhuu bag
3. **Kh.Khutuu**
Herders' advisor
4. **A.Chimed-Ochir**
Herder, Mayngan bag
5. **Mo.Natsagdorj**
Herder, Mayngan bag
6. **Bu.Sambuu**
Accountant, «Altan Duulga» LLC
7. **Bo.Zundui**
Herder, Khukhuu bag
8. **S.Naymsambuu**
Herder, Mayngan bag
9. **I.Taranpurev**
Leader, Zuungol herders' group
10. **N.Maamuu**
Herder, Mayngan bag

Soum core team. A nucleus structure that played and will remain to play a crucial deal of role in the development of the soum LED strategy is the core team. The team served as a working organ to interact with the DELTA management, the executing agency and the local stakeholders and other partners interested in and committed to the development of the soum.

The team involved:

1. **Ts.Gombosuren**
Deputy governor & leader, soum core team
2. **S.Tsolmon**
Soum governor
3. **Ch.Surenkhorloo**
Secretary, SCRKh
4. **M.Lkhagvasuren**
Head, «Tuya-Uvs» cooperative



2.3. Stakeholders' Participation and Consultation

For a long time, the local government and community have been faced with a critical need to develop long-term and well-conceptualized soum economic and business development directives that are SMART and locally-accepted. However, the methodology of strategic planning was not understood, and the techniques for attracting wide and committed participation from soum stakeholders were not well developed. The great majority of local people considered development planning a responsibility of the local administration and did not believe they could contribute to the process.

Measures were taken from the inception stage of DELTA implementation to raise local awareness and commitment to contributing to the development process. The local business-enabling environment survey and SWOT analysis were pioneering activities, involving a broad range of local citizens, businesses and civil society. In addition, a large number of public awareness promotion activities were undertaken through public media. Because of this effort, an overwhelming majority of soum citizens had access to and gathered information about the DELTA project. This created tremendous awareness and promoted local interest in the project.

All together, over 50 people representing the soum administration, businesses, public services, donor-sponsored projects, and local NGOs were directly involved in the process. The continued efforts to involve more people and organizations in the soum LED strategy development brought about changes in the mentality of the local society making them feel true ownership over the project and its outcomes.

2.4. Business Enabling Environment Survey

The best analytical tool available for looking at the current status of soum socio-economic development, its competitive advantages and challenges is the implementation of the enhanced local business enabling environment survey (LBES) supported by locally-valuable statistical data.

The LBES survey, which included 41 groups of questions designed to identify local perceptions of the business development and the environment in which the local businesses are operating as well as collect data concerning the basic spheres of the soum economic and social life over the last 5-10 years. The LBES data, served as the main source for the conclusions developed in the subsequent SWOT analysis.

The private sector, through the LBES, identified the current role that the government plays in soum economic advancement and ensuring a favorable business environment.

The areas upon which the survey focused were:

- (i) to gather data, materials and evidence that will help to understand this primary concerns of local businesses;
- (ii) to collect data that qualifies the existing strengths and weaknesses in soum socio-economic life and the problems local businesses face in attaining growth of their businesses.
- (iii) to track local views and perceptions to be familiar with the needs and challenges of improving business enabling environment.

The survey was successfully completed in all participating soums. The wide involvement of local stakeholders in the survey and inclusion of their suggestions and perceptions in different components of the soum LED strategy facilitated the process of achieving a common understanding with reference to the needs of local development. The concerns and perceptions of business groups will and remain a strong influence on the soum economic growth are incorporated in the soum LED strategy.

The findings of the LBES also serve as long-term guidelines for soum economic development based on strong public-private partnerships and regular monitoring and revision of the strategy.

2.5. SWOT Analysis

A comprehensive SWOT analysis was undertaken to compile the findings of the LBES and to draw viable conclusions for the current and future situation of soum economic development and to determine strategic options for the solving problems related to the business-enabling environment. The SWOT analysis touched upon the main problems that soum businesses have encountered and assessed the potential solutions to those issues that may appear in positive and negative manners through SWOT combinations. This approach resulted in the identification of the most specific and feasible directions for development and served as the background for the design of a soum economic development strategy.

The SWOT analysis led to the identification of strengths and opportunities as strategic perspectives to achieve better results. Appropriate activities to overcome potential weaknesses and treats were identified and drawn out. The findings of the SWOT analysis are the baseline source of information for the detailed review of the soum economic development and local business-enabling environment and for the creation of this development strategy.

The creation of the SWOT analysis relied on the analysis of soum statistics and the stakeholders' meetings, where the LBES findings were presented and discussed.

Identification of the four elements of the SWOT matrices in relation to the public service and local business development became important to devise SWOT combinations: «Strengths-Opportunities», «Strengths-Treats», «Weaknesses-Treats» and «Weaknesses-Opportunities». The outcomes of this exercise served as the foundation on which the «Vision-to-Project» matrix was developed.

2.6. “Vision–goal–objective–project” Matrix

Vision statement: The vision statement reflects the commitment and long-term desires of the community and represents the destination that wishes to be in the future. The vision also guides the community towards achieving the goals and objectives of the strategy. The vision statement advocates how the implementation of the strategy based upon the current status of socio-economic development, economic capacity, natural resources, business experience, traditions and customs as well local culture.

It also provides the soum administration and citizens with a clear direction to promote and mobilize resources effectively. The vision succeeded in generating wide mid-term insights and perceptiveness on the local development, which guarantees a better coverage of the components of the strategy along with their feasibility, and achievability. Attempts were made to identify specific things that would verify the statement to show that the vision has its roots in the economic, natural, cultural and historical realities. It should be noted that the vision is flexible and can be revisable to reflective changes in the community as the strategy is implemented.

Goals: The local economic development strategy is about creating improvements that are measurable in both spatial and time dimensions. The design of the strategic goals aimed at helping the soum community decide how to formulate the outcomes of the strategy through predictable and measured changes and improvements. The first step in goal development was to determine the overarching means that will lead to the successful realization of the vision. The goals are grounded in the common and specific aspects of soum economic development and clearly identify the feasible priority directions for the strategy. A great deal of emphasis was given to the goals so that they would provide a solid link between the vision and objectives.

Objectives: The objectives represent important tools that lead to the vision via the goals and that connects the goals with the programs and projects. The objectives set the targets and performance standards that are used for the evaluation and monitoring of the overall implementation of the strategy as well as the individual sets of goals and projects. The objectives are direct continuation of the goals. The objectives help the

community to seek ways to overcome weaknesses, exploit opportunities and deal with threats identified in the soum economic assessment.

Programs: The strategy includes a number of programs, which represent a group of similar projects that are together to achieve particular objectives, e.g. they are directly aimed to fulfil objectives. The programs are identified as an intermediate level that connects objectives and specific projects. The programs in the strategy can be latterly converted into large development programs by incorporating projects.

Projects: A conventional strategic plan, as a rule ends with an activity plan. In our case, the projects are derivatives of the programs and represent the last chain of the whole Vision-to-Project matrix. Each of the projects include a project fiche, where its overall details are outlined: project description, expected outcomes, potential contributors, preconditions and risk factors, approximated costs and predicted financing sources. The procedures of the selection of the projects were multilayered. The core team and the Planning Commission with active input of the Working groups, compiled the initial proposals, and were in charge of the overall oversight and finalizing of the projects.

A total of 35 projects with their fiches are included in the soum LED strategy.

Local Business Promotion Directions: In the view of the importance of local enterprise development for soum economic growth and community development, the strategy devoted some room to accommodate local ideas for potential specific business creation. The economic development strategy of our soum has an attached a list of 27 specific directions. The ideas came from different groups of the local communities through the working groups, consultation and public meetings.

2.7. Expected Outcomes

The DELTA strategy is expected to produce a number of direct and indirect outcomes. The major benefits are:

- The strategy will guide the soum CRKh and governor's office when making annual budget proposal so that the contribution by the soum can be earmarked in the annual budget plan.
- Public-private partnerships to arrange co-financing of key projects of the strategy strengthened
- Responsibilities/roles and activities to be undertaken by organizations and agencies in the framework of the implementation of the soum LED strategy facilitated and supported

- Locally-applicable arrangements for the continued evaluation and monitoring of the implementation of the strategy adopted and maintained
- Lobbying and negotiating with potential donors and investors interested in or being involved in projects improved
- Local resources and potentials for the soum economic development identified and exploited
- Business and business enabling environment information networking improved and sustained
- Capacity of public service organizations and quality of services they offer improved

2.8. Strategy Implementation

The strategy represents an official document for the soum government, organizations and businesses to direct them on key development policies and actions. It is evolving document that requires regular review and updating. The process of the development of the LED strategy has gone through four key stages and it will follow it throughout the implementation.

1. Activation of financial resources and allocation of funds
2. Realization of public-private partnerships
3. Timed monitoring and evaluation, and
4. Reviewing and updating

The timeframe for the implementation of the strategy is far longer than the political mandate of soum government. In this sense, the success of the strategy is directly dependent, on how newly appointed government will exercise its continued mandate and sustain participation of local stakeholders.

As the main body responsible for the implementation of the strategy, the soum government will make its best efforts to find and allocate funds for the financing projects. The government will handle updating and amending the strategy with new proposals and it will be in charge of getting approval of such improvements from the soum Khural.

The soum administration will therefore be responsible for coordinating implementation of both the strategy and individual projects and make sure that the strategy is reviewed and monitored. Lobbying donors, international organizations and central government for funds financial sources and technical support will remain as the key task for the government.

As the community sees more progresses in the implementation of the strategy, their interest and willingness to further participate will increase. Therefore, regular review and evaluation over the status of the implementation of the strategy will be conducted with the community so that the strategy can address new requirements and challenges. Since the project is a product of the soum community, the duty to conduct E&M will be rested with the soum administration with stakeholders' participation. The role of the Planning Commission is also of extreme importance.

2.9. Strategy Implementation Management

The Planning Commission headed by the soum governor, reviews and evaluates the strategy implementation. The Commission will hold 1-2 meetings annually to discuss its annual report by the chief of the core team, E&M findings, and approve and make necessary amendments. The Planning Commission will hold a general meeting to prepare an annual strategy implementation report and proposal to update the strategy to present to the soum CRKh for approval. Even though the composition of the Commission may change, the responsibility to coordinate the overall implementation of strategy will not.

The governor's office will be fully and directly responsible for the implementation of the strategy mainly through:

- Support of the Planning Commission with adequate administration and logistics
- Coordinate and administration of activities of actors identified in the strategy and who become involved later during the implementation period
- Dissemination of information on strategy implementation and to solicit feedback to introduce new forms of information networking
- Conduct E&M every second year and prepare suggestions to make changes or amend the strategy for discussion by the Planning Commission followed by approval by the soum CRKh

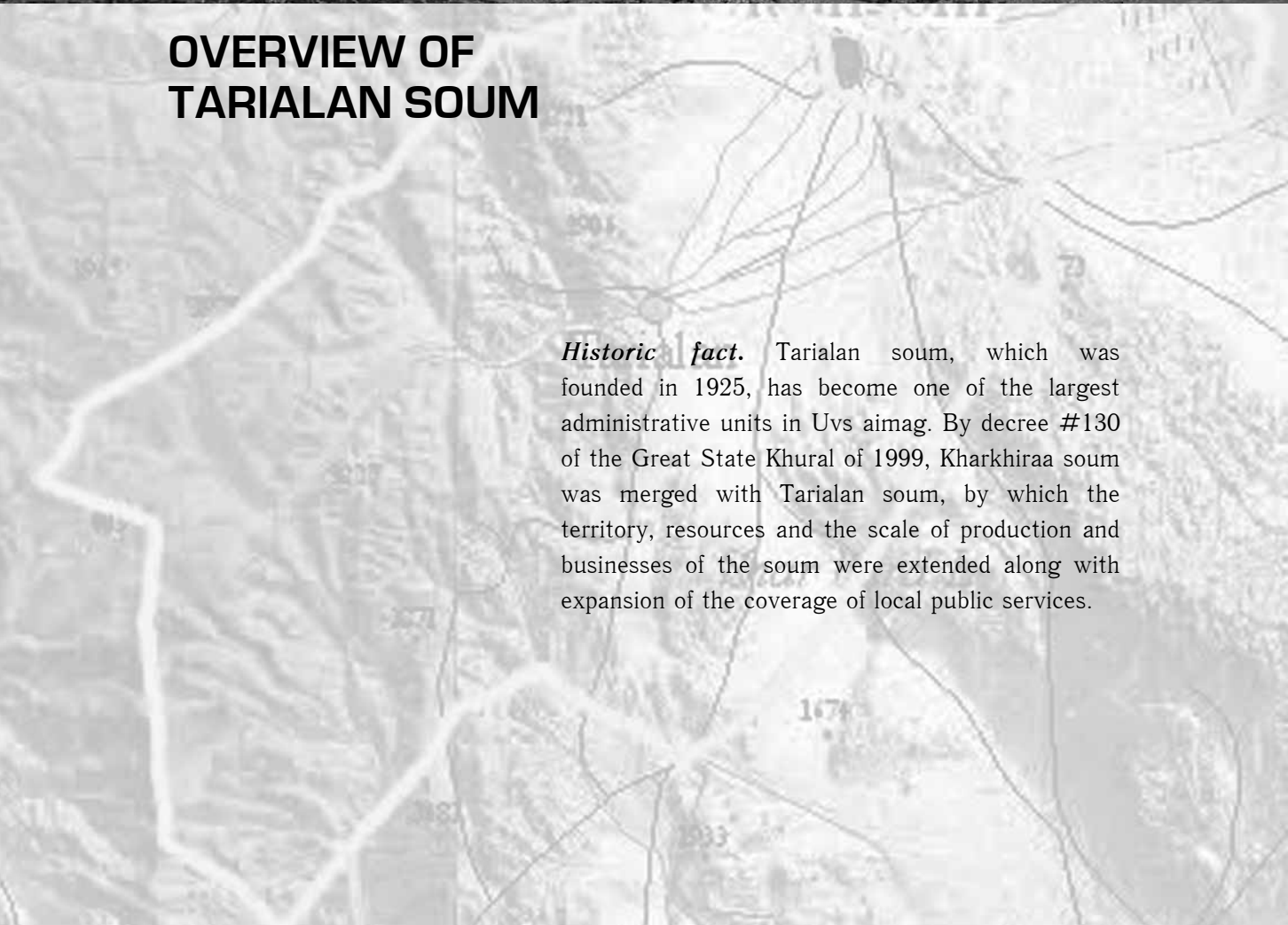
2.10. Financing of the Strategy

Apart from seeking investment and funding from the central budget, the soum government and other stakeholders will make significant efforts to attract other financing sources through donors, investors and other potential contributors for immediate and long-term investments. Direct local investment for the implementation of project for the promotion of local business development will provide significant opportunity to raise the financial resources for strategy implementation.



PART 3

OVERVIEW OF TARIALAN SOUM



Historic fact. Tarialan soum, which was founded in 1925, has become one of the largest administrative units in Uvs aimag. By decree #130 of the Great State Khural of 1999, Kharkhiraa soum was merged with Tarialan soum, by which the territory, resources and the scale of production and businesses of the soum were extended along with expansion of the coverage of local public services.

3.1. Geographic location, climate and natural resources

Geographic location: the Great Lake Depression

Economic region: The Western economic region with a core center in the city of Khovd.

Territory and its resources. The Tarialan soum is at an altitude of 1100-1600 meters above the sea level. This area is famous for the uniqueness of typology of the Great Lake Depression, where geoecological zones and belts found in the northern hemisphere are assembled in a strict and continual order over a distance of 30 km. From the point of geoecological view the main features of the territory of Tarialan soum are built by the steep changes in the altitude: from peak Kharkhiraa ranges (4126 meters above the sea level) down to the shores of Uvs Lake at 800 meters above the sea level, which is the only area in Mongolia registered as the World Natural Heritage Site.

Tarialan soum occupies a territorial land area of 247.8 thousand ha. 93.7% of the total land is agricultural land. Forests make up 1.1% and 0.4% are areas covered by water.

The watershed area and surface water chains in Tarialan soum are deposited by high-elevated mountain rivers and creeks derived from the Kharkhiraa-Turgen maountain ranges, such as Tsagaan Salaa, Khargait, Gurvam Khoroo, Burgastai, Orlogo and Namir and fresh lakes - Ikh and Baga Aduun Nuur, Yast, Sharnuur and Khukhnuur. The surface water network includes 14 rivers and streams, 8 differently-sized lakes and 18 springs and ponds.

Land resources, Tarialan soum

Territory and land classifications	Size, ha	Share in total land resources, %
	247800	100
1. Agricultural land	232093.9	93.7
1.1. Grazing land	225813	91.1
1.2. Hayland	1679.7	0.7
1.3. Crop land	1346.4	0.5
1.3.1. Land under cropping	296.9	0.1
1.3.2. Abandoned land	850	0.3
2. Forested land	2849	1.1
3. Land under water	968	0.4
4. Specially protected land	7501	3.0
5. Land under roads and communication facilities	3703.5	1.5
6. Urban and settlement land	195.7	0.1
7. Mining	488.9	0.2

The plant fauna is rich and diverse owing to the great variety of climatic, geoeological and topographic conditions. All main species and geneses of mezo- and xesopyte and alpine plants in Mongolia except ones grown in the dry and sandy deserts can be found. The rich vegetation supports many types of wildlife typical to mountainous and steppe areas: hunting and watching as well as migratory and non-migratory birds.

Climate. The unique topographic and ecological formations of the territory create a harsh climate. The temperatures in summer reach 30-35°C, while the winter months are uniquely cold when temperatures reach - 32-40°C. The sharpness of climate can be witnessed by huge variations; when it gets hot at 30-35°C in lowlands, temperatures in highlands are at just 15-20°C. The highest annual deviations in air temperatures occur in the cold season. In winter months the mean temperatures may reach -30°C with peak of over -40°C in January. The main difference from other parts of Mongolia is that although change from cold to warm weather is quite slow, shifts in monthly temperatures are gradual.

Natural Resources

Coal Resources: The Khar Tarvagatai anthracite coalmine, which is one of the largest in Uvs aimag, is located at 90 km from the soum center. There are other three deposits of anthracite coal: Dovt - 25 km, Burgastai - 40 km and Baali - 25 km.

Gold Deposits: Tarialan soum is rich in gold deposits found mostly in mountainous areas: a deposit Khujirt is located at 84 km from the soum center. The other deposits are: Meeren - 34 km, Bor Khavtsal - 110 km, Sangiin Shireg - 86 km and Namiriin Ekh - 115 km.

Construction materials: chalk deposits are at 35 km from the center, brick clay - 5 km and gravels and sand at 2-3 km.

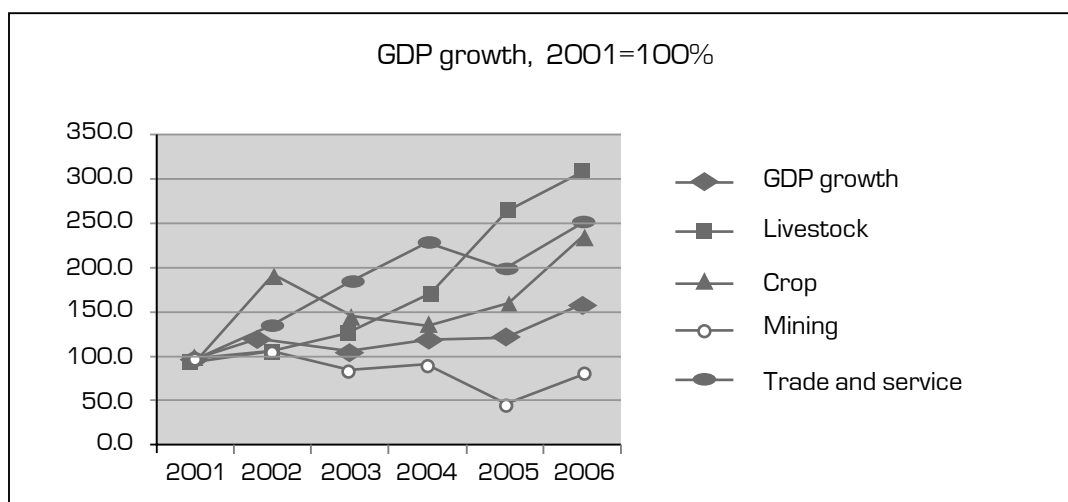
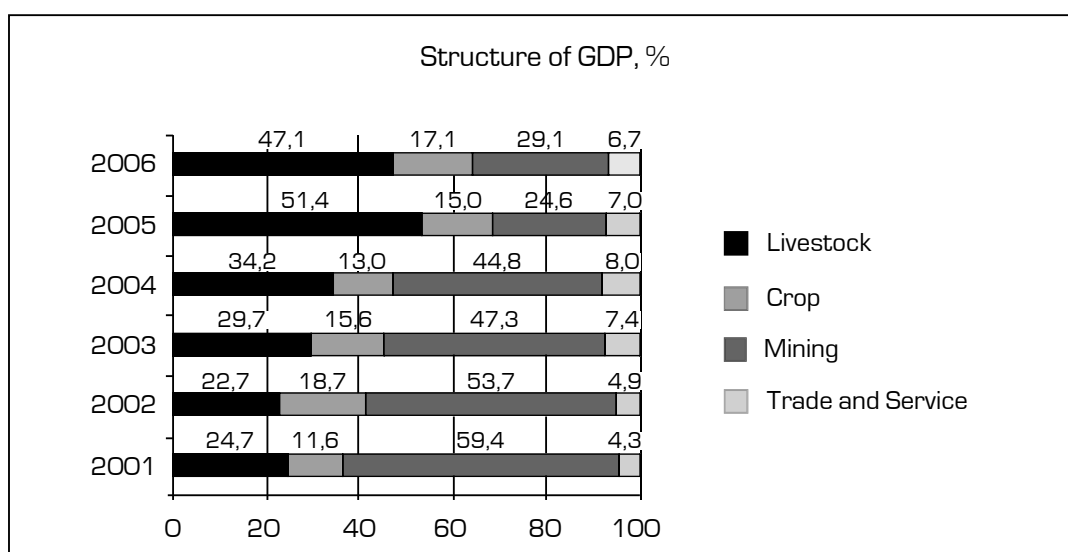
Salt and soda licks: natural cooking salt deposits are found along the shores of the Uvs Lake (50 km from the soum centre) and soda licks are accumulated near by the dry pond depressions along the corridors of the Uvs Lake (50 km from the soum centre) and marshy lowlands (20 km from the soum centre).

Natural Beauty and Sightseeing Sites: Prominent snow-caped peaks of Kharkhiraa-Turgen and Namir ranges, which provide home to many wild habitants recorded in the national Red Book, such as the mountain sheep, the ibex, and the snow leopard are at 120 km from the soum. Visitors can travel 15 km to see ancient graves and carved rocks. In the areas lying below the soum centre along the basins of the Kharkhiraa River there is an ancient hand irrigation canal built in 1700 AD, known as the Galdan Boshigt bukh (Galdan Boshigt canal) going around hillsides for over 25 km. One of the most famous places is the gravity irrigation system up the Kharkhiraa River valley. To see the rock with the ibex and other primitive drawings does not require long travel - just 5 km up the Myangan Valley. To experience the natural beauty of the Uvs Lake, one needs to travel only 50 km away from the center.

3.2. Main and subsistence economic sector

The main sectors of the soum economy are pastoral livestock and traditional crop production. In the result of the nationwide privatization, the state and cooperative owned livestock and crop production had shifted to small private businesses along with emergency of SME types of trading and service businesses.

From the structure of the soum GDP, the components of the economy can be clearly seen. Although the mining sector comprised of 2 coal and 3 gold mines, which non-resident people own, takes the leading economic position. However, their contribution for the improvement of the quality of life of the soum community is little. Many of the soum inhabitants are engaged in the livestock breeding and crop cultivation. Therefore, this sector is officially regarded as the main branch.



Changes in the numbers of business entities

Types of businesses	2001	2002	2003	2004	2005	2006
Economic entities	15	16	16	13	12	7
• LLC	1	1	1	1	1	1
• Share-holding companies	2	2	2	2	2	2
• Cooperatives	12	13	13	10	9	4
Herding households	679	688	701	677	661	647
Small family-based businesses	14	16	19	18	20	26
Total	718	720	736	608	693	680

In addition, the share of contribution of the livestock and crop sectors to the soum GDP has shown a good growth over the last few years. As compared with 2001, the livestock sector remains stable for its outputs, whereas other sectors show slight declines even though the soum GDP increased by 62.1% over the last 6 years due to increased mining and growth in other main sectors.

For the soum as a whole, 7 business enterprises, 26 small family-based businesses and 647 herding households are involved in business.

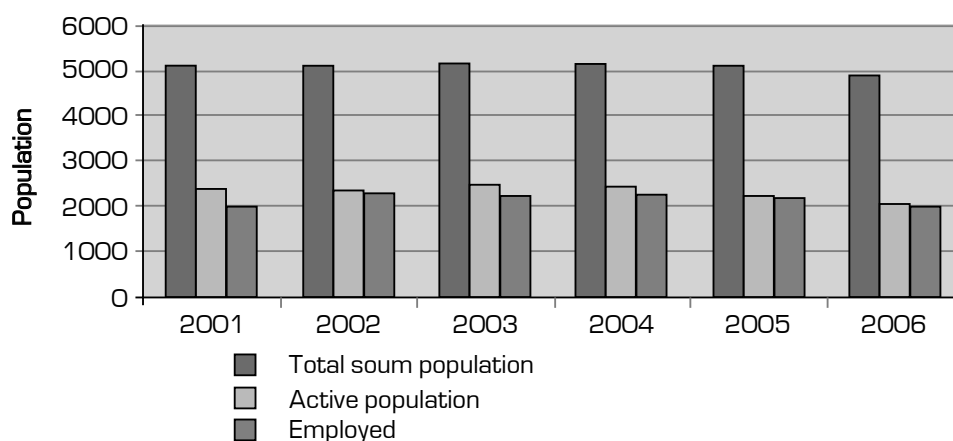
3.3. Demography and human resources

As of 2006, the soum population was 4906. Children up to 15 years-old make 46.45% of the total population, whereas 31.15% are youths and 22.4% are people of age of 36 and above. Women share 50.3% of the population. There are 490 pensioners. Three secondary schools at soum and bag centers accommodate over 1200 children. About 160 young people graduated from local schools are studying in universities and colleges. The annual births range from 160 to 171, so that the population growth remains high at 2.76%.

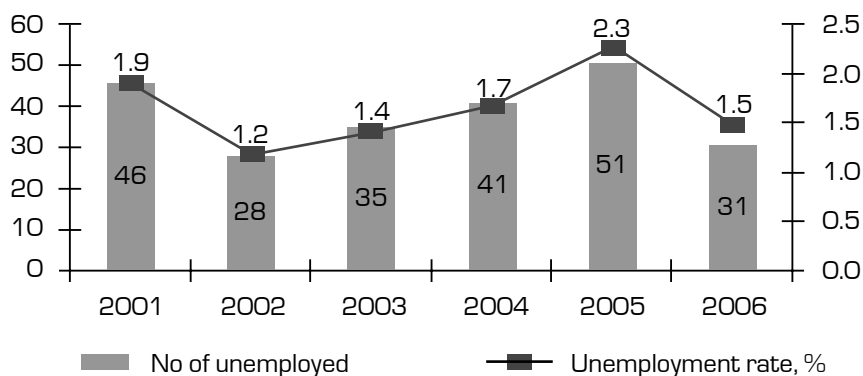
98.5% of people of working age are employed. The decline in the total soum population, especially skilled workers, is a challenging issue for the soum administration.

Employment varies across different sectors: livestock is in lead providing jobs for 71% of all people, followed by crop farming and other public services. In spite of its larger production and earning capacities, the mining sector offers jobs (in most cases part-time) to only 1% of population, because they tend to employ workers from other areas.

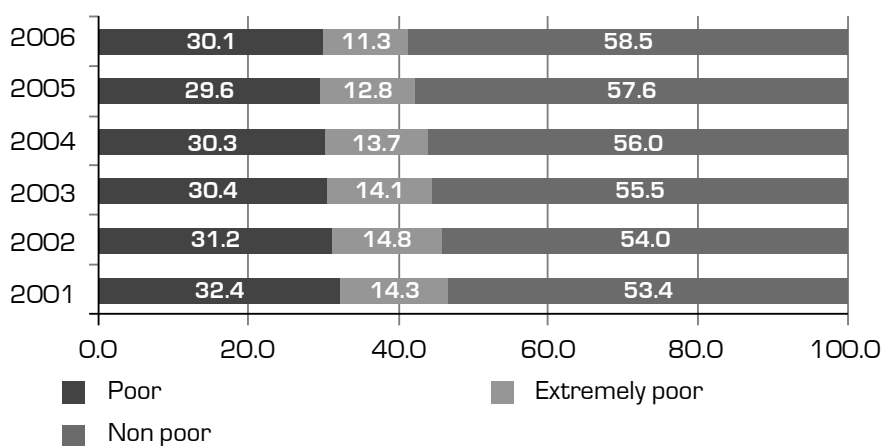
Total population, number of employed and economically active population



Number of unemployment



Household living categories, % in total household



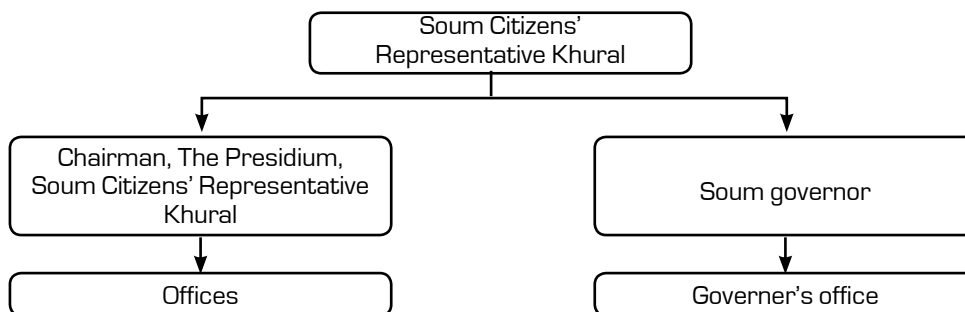
As of 2006, 31 persons or 1.5% of all people of working age were unemployed, which demonstrates a significant drop from the preceding years. The 2006 statistics illustrated that 41.4% of all households were poor or extremely poor. Therefore, reduction of family poverty is an issue of a significant importance for the LED strategy to be successful.

The overall living standards of soum citizens tend to improve year by year, but the progress has been slow.

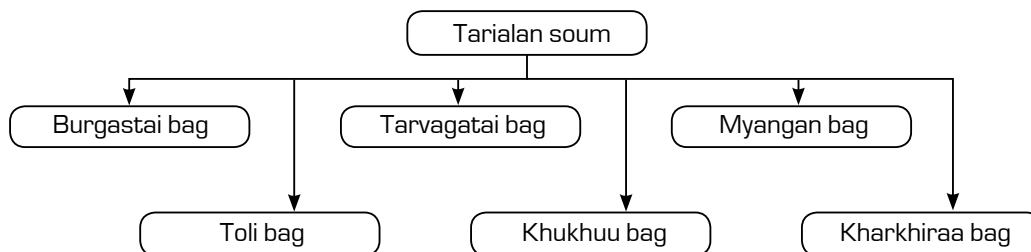
3.4. The structure of soum administration

The structure of the local self-governing bodies of Tarialan soum is multileveled: the SCRKh, governor's office and bags. The SCRKh has 2 staffs. The governor's office employs 18 personnel including bag officials. Finances for the local administration come from the local budget. The soum-based public services such as health and education are financed by the central budget, and those working in 7 organizations such as tax, social insurance, social welfare, police and meteorological post receive their budget from the aimag budget.

Structure of local government



Administrative structure, Tarialan soum



Main economic indicators of bags

	No of households	Population	No of livestock	Crop land, ha	Distance ¹ from soum center, km
Burgastai	180	842	31529	10	70
Tarvagatai	137	655	33723	20	75
Myangan	205	913	31404	70	60–120
Toli	81	343	5458	5	90
Khukhuu	345	1609	24396	1165	0
Kharkhiraa	147	668	9327	300	15
Soum Total	1095	5030	135837	1560	

Soum Budget and Expenditures

Despite the increase of the total soum budget expenditures, no rise in the local budget revenue observed. In the contrary, the latest has been declining. In 2001, the soum was sufficient to self-finance itself. But in 2006, the raised only 34.3% of the annual budget with subsidy from central budget.

Soum Budget and Expenditures, mln. tugrigs

Indicators	2001	2002	2003	2004	2005	2006
Local budget revenue	61.4	33.9	17.3	16.1	23.7	19.6
• Income tax	7.0	4.2	4.3	5.8	6.7	5.5
• Fee on weapons	0.2	0.3	0.3	0.3	0.3	0.3
• fee on immobile assets			0.6	0.5	0.6	0.5
• Fee on mining resources	42.6	18.9	7.5	4.9	7.5	6.3
• Logging/timber fee	0.4	0.4	0.4	0.3	0.5	0.5
• Land use fee	2.3	1.6	2.2	1.7	1.2	1.7
• Water use fee	1.2	0.6	0.5	0.5	3.6	2.3
• Tax on vehicle	2.5	2.9				
• Punishment and penalties	0.1	0.3	0.5	0.2	0.1	0.4
• Self-generated income	3.7	3.6	0.4	1.1	2.4	0.5
• Other sources	1.4	1.1	0.6	0.8	0.8	1.6

¹ Each bag has a centre, located in different areas of the bag territory

Indicators	2001	2002	2003	2004	2005	2006
Local budget expenditures	41.4	43.3	38.2	44.4	55.9	57.2
• Salary	16.9	17.5	17.7	20.3	20.3	26.4
• Social insurance tax	4.6	4.6	4.7	5.7	5.4	7.0
• Electricity	0.4	0.4	0.4	0.4	0.5	0.6
• Fuel	3.4	3.9	4.1	5.4	6.5	6.9
• Heating	5.3	3.1	2.7	4.2	4.4	5.2
• Communication	0.4	0.8	0.8	1.2	1.0	1.3
• Duty allowances	1.1	1.0	0.9	1.0	1.4	1.9
• Benefits and bonuses	1.1	1.1	1.2	1.8	1.7	1.3
• Other	8.2	10.9	5.7	4.4	14.7	6.6
Budget subsidy	-20	9.4	20.9	28.3	32.2	37.6

3.5. External relations

In the framework of its daily activities, the government, public service providers and businesses of Tarialan soum hold regular contacts with the administration and professional bodies in both the aimag and neighboring soums. Small businesses and economic entities make border trading to China through a border point at Yarant, Bulgan soum, Khovd aimag and to Russia through a border trading point at Khandgait, Davst soum, Uvs aimag. Nevertheless, they do not have regular trading and production partnerships in other countries. In the future, the local businesses want to develop regular partnership contacts on production and trading.

Contacts have been established with Bayan-Ulgii aimag, Turkish, and Kazakhstan missionaries, which through the soum government provide assistance for businesses, education and religious affairs. It holds regular contacts with homeland support communities, businesses and ex-residents living in other aimags and cities, which serve as relations between residents who live in other areas.

3.6. Culture and ethnic identity

The Tarialan soum is the indigenous homeland of the Khotons, an ethnic minority with a unique and prominent lifestyle, culture and ethnic identity, who make up 85.6% of

soum population. As historic sources describe, Galdan Boshigt Khaan, the king of Oirat Mongolia moved 200 families from a city of Khotan in Eastern Turkmenistan nearby Northern India in the XVII century to employ them for grain growing. Since then the ethnic culture, customs, religious identity of the Khotons had undergone many changes, partially becoming mongolized. Nevertheless, the roots of ethnic cultural unity of the nation have been well preserved and they are passed from generation to generation. Traditionally, the Khotons are Muslims by origin and belief. There are seven local ethnic tribes, which keep their genealogical records.

Naturally, the Tarialan people are hard-working and were able to preserve their exceptional generations-old experience in crop farming with hand irrigation.

Among the Khoton population, the ethnic cultural and musical heritages, especially *Bii Khuur*², *Ikel*³ and *Bii Biilgee*⁴ are well preserved. The people of Tarialan soum see their customs, ethnic unity and folk culture as important foundations for development, initiating new businesses in tourism, traditional medicine and culture through passing their heritage to younger generations.

² A special type of musical instrument with strings made of horse tail

³ A musical instrument

⁴ A body dancing widely spread among Khotons



PART 4

OVERVIEW OF SOUM ECONOMIC DEVELOPMENT AND FUTURE TRENDS

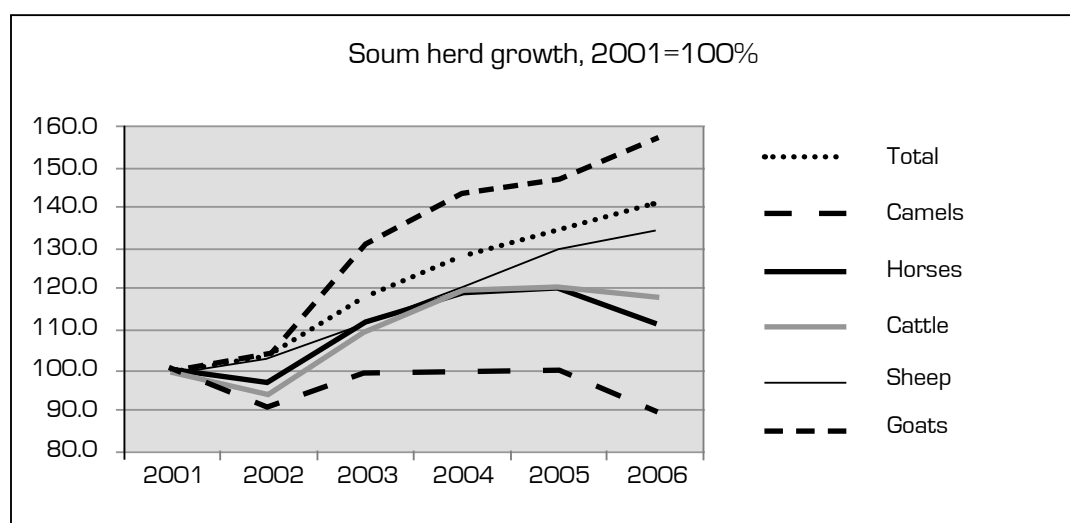
4.1. Soum economic development: current situation and future perspectives

Livestock industry: As of the end of 2006, the soum had 135837 head of livestock owned by 1407 private herders of 647 herding households: camels 616, horses 2292, cattle 4729, sheep 76573, and goats 51627. Only 2187 head of livestock belong to six economic entities and public organizations.

Over the last three years, as the table below shows, the number of households with fewer livestock tended to reduce contrary to the increase of that of large herd owners. This should be regarded as an important shift, which points to a slight improvement of living standards of herders. 6 economic entities own 2187 head of livestock.

Grouping of herding households by their herd size

Herd size groups	2001	2002	2003	2004	2005	2006
Up to 100	717	701	649	339	585	503
101–200	190	209	243	233	232	255
201–500	93	103	137	159	184	204
501–999	6	8	11	15	17	21
1000 and more	4	3	2	4	5	6
Soum total	1010	1024	1042	1038	1023	989



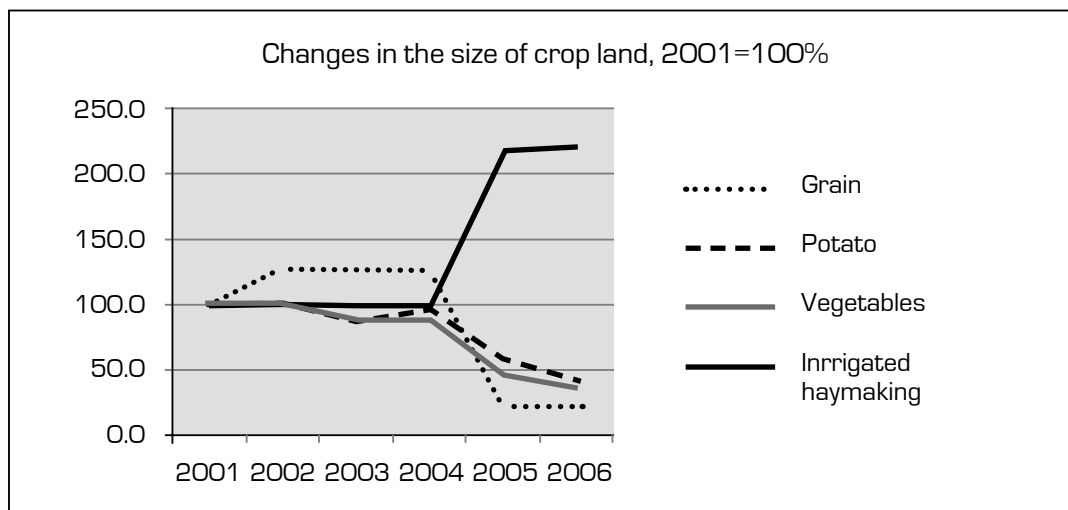
As data of 2006 shows, herding households own 85.3% of the soum herd. The average number of livestock per household is 207.

As the herd growth profile demonstrates, small stock has been growing similarly to what the total soum livestock herd experiences. However, there are extremes in the growth of different species: the rapid build up of the number of goats against unstable growth of large animals.

In these days, the increased soum herd has led to an exceeded carrying capacity of natural pastures by 65.8%. If the growth rate in livestock population remains constant, there is a danger that the stocking rate may hit its maximum in the near future. Annual soum animal fodder production in 2006 was 4877 tons, which is 30.6% higher than in 2001. Nevertheless, no increase is observed in the quantity per head. This shows that the soum herd is still vulnerable to various natural and economic risks and the pastoral herding with no sufficient fodder supply would be economically less viable.

As a response to what happens with the livestock industry, the soum should seriously rethink the fundamental conditions and circumstances of making adequate changes in this backbone economic area. The conditions that will largely contribute to the increased efficiency of the sector under the improvised carrying capacity of pastures and high vulnerability to major risks are the long pastoral and crop experiences and closeness to aimag centre markets - the largest in the aimag. Strategically, there would be a new business opportunity in livestock sector if the soum pursued policy to encourage its citizens and entities to engage in more intensive and diversified farming, such as raising pigs and poultry integrated with crop cultivation activities at either household or group levels. In order to achieve these tasks, locally-feasible efforts on the developing policy of intensified livestock production, organizing supply of best sires and improve the availability of pasture and water are required.

Crop cultivation: Having engaged in irrigated crop farming over the centuries, the Tarialan people have evolved rich experiences in farming in adverse conditions. The cropland is fertile enough to support increased crop activities. Despite some damages and dismantling, the hand and engineered irrigation facilities are operational and available. In 2006, 1570 ha were cultivated; wheat sown on 260 hectares, potatoes - on 20 ha, vegetables - on 10 ha and fodder crops - on 1285 ha. In the crop sector, there are 4 economic entities, 5 organizations and over 700 families permanently operating. There is an obvious trend towards increased



volume of areas for growing fodder crops such as alfalfa and a decline in grain and vegetable cultivation areas. According to the data on crop production, the yields of common crops remain stable, which reveals opportunities for a successful crop business.

The irrigation systems play an important role in crop production. For example, «Altan Duulga» LLC was awarded a national prize «The 2004 best crop company» thanks to continued reconstruction of facilities and expanded crop cultivation activities.

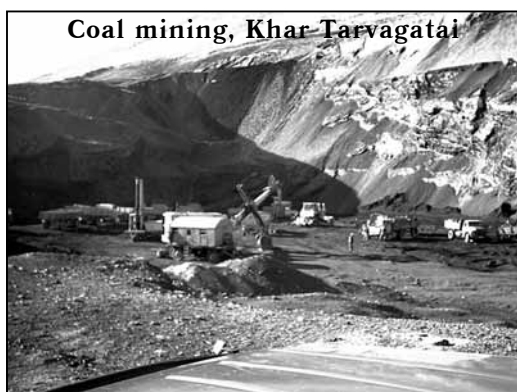
The tasks for future crop development are to introduce technical innovations in the main crop business, support home processing of crop products, extend sales of elite alfalfa seeds, increase the volume of fields under the seabuckthorn, other fruit crops and produce certified brand products of barley and local variety of barley and alfalfa. In doing so, one of the fundamental conditions is to rehabilitate the «Galdan Boshigt hand irrigation canal», which will be a demonstrating action to extend local crop business, thus allowing engagement of more families.

Mining: Tarialan soum is the richest in gold, coal mining and resources for construction materials. Today, there are three companies running coal and gold mines in 5 locations.

The major enterprises engaged in mining in Tarialan soum:

- The «Khar Tarvagatai» LLC, established in 1964, with 24 employees, mining coal in Khar Tarvagatai and Meeren Valleys. It supplies coal to Uvs and Khovd aimags and operates gold mining in Meerin
- The «Datsan Trade» LLC, with 74 employees, mining gold since 1997 at two sites: Khujirt and Sangiin Shireg. In 1999, it mined 250 kg gold in cooperation with «Selgidr-Mongolia» LLC, Russia
- The «Erdes-Uvs» LLC, with 6 employees, mining coal since 1997 in Dovt to supply to heating central of Uvs aimag. In order to expand its business, the company plans to explore coal for household fuel.

Annually, 40.0 thousand tons of coal and 30-250 kg of gold are mined. In the future, the soum aims at launching soum-based production of construction materials and get underway technical and biological restoration of mining areas.



Local Processing. Agricultural reprocessing in the Tarialan soum is poorly developed. The main processing is based on making wheat and barley flour and alfalfa hay for animal feed. Felt-making from sheep wool has been the only livestock raw material processing. The development goals for the near and mid-future are to encourage primary and ready-to consume processing of vegetables and livestock products to prevent an outflow of cash. It is hoped that improved local processing will help to promote SME production of consumer goods. The main condition will be further improvement of the business-enabling environment.



Trade and Service. Approximately, 3 economic entities and 14 private individuals are engaged in trading and the number of individuals and establishments involved in other services is 1 and 33, respectively. In order to bring local trade and services to the contemporary standards, large improvements in the internal and external infrastructures such as transportation, communication, law enforcement and local partnerships are required.



Tourism and Traveling. Currently there are no frequent tourism activities in the soum other than irregular visits of foreign hunting troops. However, soum people optimistically believe and expect better tourism in the future (including visits, holidaymaking and short-term stops).

Resources such as snow-capped beautiful mountains of Kharkhiraa-Turgen ranges,Uvs Nuur basins and wildlife, rich vegetation, fauna and unique ethnic culture and customs have a strong potential to attract prosperous tourism businesses.



4.2. Infrastructure and Services

Roads. Tarialan soum is located at 1350 km from Ulaanbaatar. The roads that connect Tarialan soum with the aimag center and neighboring soums are all non-hard top with exception of a 400 km paved road between Ulaanbaatar and Kharikhorin. The length of the main earth road to Ulaangom is 31 km, where it joins a 120 km paved road to the Russian-Mongolian border. Roads within the soum and ones to the coal and gold mines are all non-hard top. The future goal in road development is to create a hardtop road connection with Ulaangom, which would be a decisive factor that will largely contribute to the development of important businesses like tourism, local SME and other socially important economic activities.

Energy. Electricity is brought by the high voltage line coming from Russia, which is diverted to two bags and the centre of the soum. No other bags or rural families have access to that line. 47% of herders have solar energy sources. Because of shortage of budget for maintenance, the lines diverted to the soum and bags are slightly out-dated. Therefore, their reconstruction and updating is required.

Health service. The hospital, founded in 1931, and expanded in 1941 and 1971, has 33 employees, including 3 doctors and 10 assistants and 2 branches in bags. An ultrasound diagnostic apparatus installed recently. An ambulance vehicle and 4 motorcycles have been provided to the soum hospital and doctors working in bags. Extension to main building, upgrading equipment and facilities nad rest room for pre-partitition mothers are requested.

Education. The secondary school established in the 1940s and re-equipped in 1950 with 4 class rooms. The school became 7-year, and 8-year in 1970. It expanded as a 10-year full secondary education school in 1993. Now it operates as an 11-year secondary school at the soum centre with two primary schools in Kharkhiraa and Toli bags. School service is provided to 1100 pupils by 38 teachers and 28 assistant staffs. 290 children live in the dormitory adjacent to the 11-year school. Due to the high population growth rate, the secondary and primary schools need reconstruction of both the classrooms and dormitory with partial upgrading of teaching facilities.

Kindergarten. Established in 1955, it operates with 3 classes for over 150 children. A pre-school training is provided to 140-160 children annually. The building, in which the kindergarten is located, was originally designed as a child nursery house. The needs are now to reconstruct it to extend the coverage of preschool education for children.

Cultural centre. Established in 1943 as a «Red ger» and converted into a local museum in 1964. A building for the soum museum was reconstructed in 2003 with donations from local economic entities and citizens. This building has 350 seats and a

museum display halls with over 120 exponents. It has been planned to arrange training in Khoton ethnic culture and *bielgee* dancing and create a permanently performing troop. These activities, undertaken by local talented amateurs, will contribute attaining local talents and promoting tourism interested in local ethnic art, culture and customs.

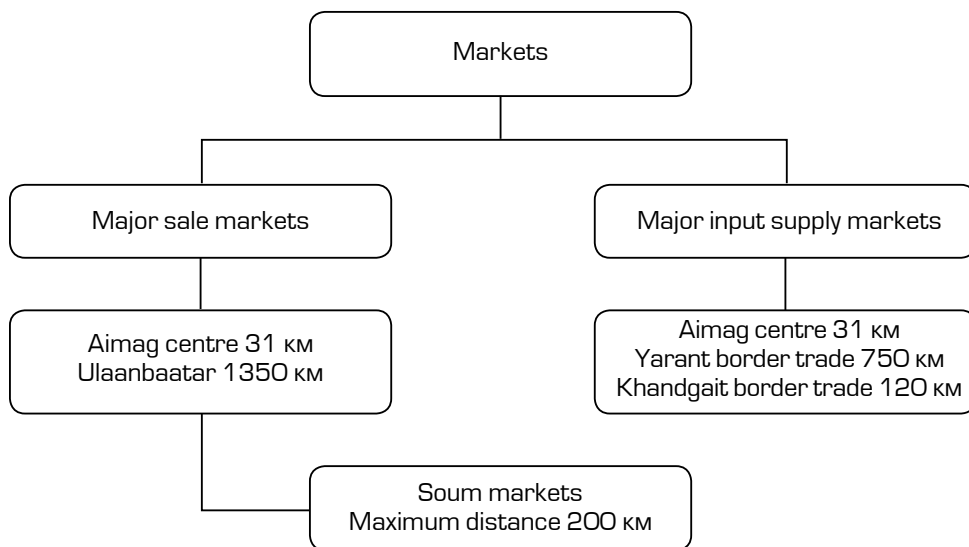
Communication. Conventional telephone lines were built in 1948 and a TV station was installed in 1983 to catch Orbit and «Asiasat» in 1992 to access to the national TV programmes. All bags are equipped with a stationary VISAT communication system under JICA grants, which ensured rapid communication with other cities and soums. A multi-channel TV antenna designed in Inner Mongolia was installed for the local TV. It is planned to provide the community with access to the internet in 2007.

Banking. In 2001, after privatization, the branch of the former Agricultural Bank was re-organized into the XAAH Bank. Since 2004, the XAS bank has operated through its mobile service. These are the largest services dealing with the most borrowers and depositors.

Veterinary service. The service founded in 1933 was expanded in 1936 and 1964. Since it was privatized in 1999, two private cooperatives owned by former soum veterinarians with 7 employees run the service.

4.3. Markets and Marketing

The marketability of domestic products and performance of the supply markets is determined by the location and patterns of the local consumption and production. In many cases, agricultural raw materials and locally processed products are sold to



markets in the aimag centre whereas consumer goods and other non-locally-available goods are imported from Ulaanbaatar and through cross-border trading. Our close location to the aimag centre, where more people and businesses are concentrated, affects the soum economy in unfavorable manner. Trading and services are, to certain extent attracted to the aimag centre. To combat this negative pattern, the soum must make changes in its development strategies so that products and services, for which people go to Ulaangom, are made available locally. Expansion of soum-level production and services that are competitive to those in Ulaangom would trigger the changes needed. Creating markets for domestic and foreign tourism and extending export of brand products to other domestic and external markets is an option to consider. Expansion of soum brand products and creation of new businesses that the aimag centre lacks, such as pig and poultry farming, processing of meat, milk and fruits would be appropriate for Tarialan to compete for other surrounding markets.

4.4. Donor programs and projects

World Bank supported «Sustainable Livelihood Support» project: launched in early 2002 to implement activities on improved health service. Specific activities include: heating for the school and a public bathhouse, installation of an ultrasonic diagnostic apparatus, provision of the soum hospital with a car, well rehabilitation and pasture use mapping accompanied with design of a soum contingency risk management planning. This project will continue to 2012.

OSI/OSF DELTA project: launched in mid-2006 in order to design a participatory mid-term soum economic development strategy and establish a local business support centre. Other two new projects on soum center development and nature protection have been selected and financial support provided.

World Bank «Index-based livestock insurance - IBLI» project: The Tarialan soum was selected as the site for piloting an IBLI scheme to serve herders with a reliable insurance service. 88 herding households bought the insurance in 2006.

WWB-supported «Community-based resource management - Altai-Soyon» project has arranged training for local stakeholders in protection of environment and nature. Activities on capacity building of soum land officer, nature and environment protection inspectors, and arranged training in various subjects: dairy processing for herders, optimal timber/logging for drivers, tourist guiding for staff of local hunting camps and writing a loan project proposal for citizens of Khukhuu bag.



PART 5

THE SOUM LED STRATEGY

5.1. The LBES Findings

One of the key activities undertaken in the framework of the development of soum LED strategy was the local business enabling environment survey. The survey was administered from August-October 2006. The survey aimed at collecting data, through questionnaires, that could be used as a primary source for the design of the strategy. As a result, the survey gathered a large quantity of information reflecting local views on the status of the development of soum economic and business, future perspectives along with official statistics and other support materials. The findings of the survey were processed and compiled. The findings were presented in meetings and consultations held with soum stakeholders to gather their comments and recommendations to incorporate in the LED strategy.

The stakeholders involved in the survey:

- The survey covered 50% of the 46 soum businesses, and 4.9% of 1022 herders with an average participation of 6.8%
- 67 owners of businesses, 4 executive directors and 2 other staff participated
- Amongst the 50 herders, the portions of different categories of wealth rankings were: rich herders - 8.0% and herders with middle income - 62.0%, and poor - 30%. These percentages correspond with the overall wealth diversification of soum herding communities, as follows: 10.0%, 64.1% and 25.8%.
- 54 of the interviewed businesses are engaged in livestock production, 21 in crop production, 5 in home processing, 13 in trading, 9 in communal services and 3 in mining
- Among the LBES participants, 9.5% worked up to 5 years, 23.3% - 6-12 years, and 67.1% - over than 10 years. Some 65% of businesses and 92% of herders have been working for 10 or more years.
- 73.9% of entities employ up to 5 employees, 21.7% - 6-50, and only 4.3% have more than 50 employees.

Business expansion. 69.3% of businesses and 84.0% of the herders who participated in the survey commented that the businesses they are currently engaged in have been expanding. This shows a general tendency for business growth in the Tarialan soum. However, 1/6 of herders and 1/3 of businesses failed to see any business expansion. This is regarded as an utmost challenge for the community.

Availability and accessibility of markets. 2/3 of all products and services created by local businesses are sold within the soum. Some 60% of herders sell the products to aimag centre taking advantage of a close location. Local businesses have little presence in the regional markets. Some businesses are attracted to aimag centre, which is a good incentive to advance in accessing large markets. However, it falsely motivates cash outflow.

Local view of the future of businesses. 74% of all survey respondents (95.7% of businesses and 64.0% of herders) imagine that their businesses will grow and flourish in the future. This is a good sign of a community strength that shows that local businesses are psychologically and mentally confident.

local demand of skilled and professional labor. 65.2% of the respondents answered that more skilled and professional workers are needed for their businesses to expand. The findings of this survey provide some guidance for arranging local training in capacity building and updating local skills. The most often cited training for businesses were: finances, record keeping, computing, technology, business management and marketing. Herders want to be trained in capacity building, livestock management, herd genetic and breed upgrading and quality control.

Business competition. The opportunities for the soum businesses to compete for both soum and aimag centre markets are extremely important. The idea put forward by herders towards competing for national markets is the promotion of regional brand products - «Barley flour» and «Bed - alfalfa hay» (the soum is the patent holder).

Measures for future improvement of businesses and marketing. Local businesses believe that the measures listed below will contribute to attracting more local consumers through (i) diversification of types of businesses and services; (ii) improvement of the quality of products and services; (iii) keeping sale prices down; (vi) addressing right portion of buyers and consumers. Local businesses looked at this issue as an opportunity to guarantee the extension of business operations in integration of improved marketing. This confirms that local businesses perceive opportunities and strengths for greater business growth.

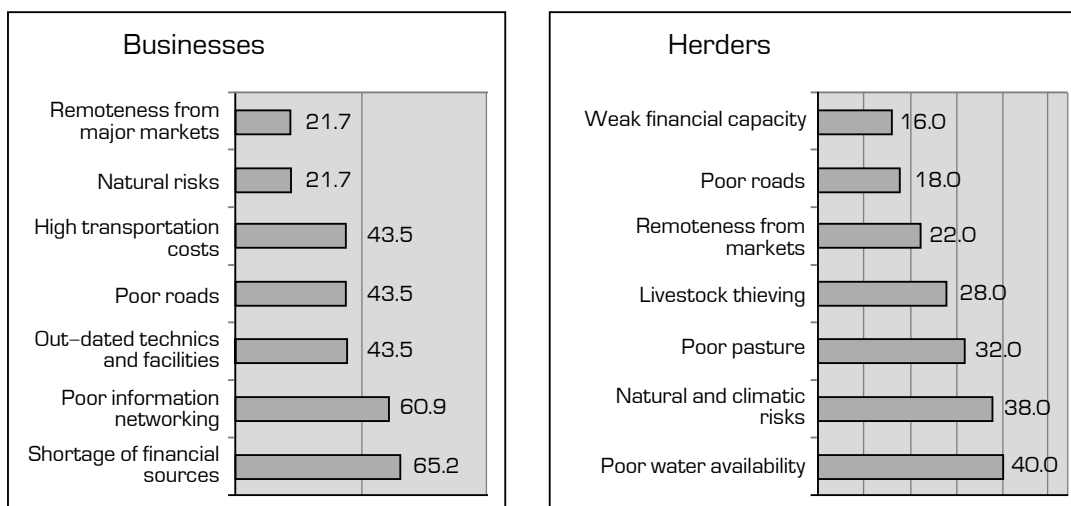
Helps and assistances provided by business associations and other institutions. 70% of business entrepreneur and 28.6% of herders answered that no business associations and organizations provide help. These issues look at two factors: (i) how the local businesses are active and initiate access to assistance, and (ii) if such associations and organizations are willing to reach out to local businesses. None of businesses and professional associations reaches out to herders.

Interest of future business expansion. A good half of the participants in the LBES is in favor of expanding their businesses within the soum, whereas 30% wish to move to the aimag center. The interests of businesses and herders to expand local business are clear that 10-30% believes they can achieve expansion of business by improving quality, and 60% - by expanding in size.

Main difficulties and challenges that new and existing business may encounter. For the soum business society, shortage of finances is the largest challenge followed by issues of technology and infrastructure. As far as herders' perceptions are concerned, ecological matters such as shortage of grazing resources and water, are the most important hurdles to overcome. Both groups agree that poor information is also a problem.

Each group raised various concerns of external treats, like high interest rates, increased transportation and fuel costs, and shortage of spaces to accommodate new or expanding business. The herders are concerned about their distance from the main markets and poor marketing.

Assessment of the impacts of cooperation between local government and businesses. Although local stakeholders argue that the time (19 days for businesses



and 14 days for herders) that businesses spend in coordination with the soum administration is acceptable, it seems too short for a productive and responsive partnership. The soum administration and businesses must work together for greater soum economic development, and up to now that coordination has been fairly limited. This is a weakness for the community, which is connected with fragile market-driven relations and poor partnerships. Therefore, the community must work to strengthen public-private partnerships for better LED development in the future.

Performance of soum administration negatively affects business. It was found that the negative impacts of the measures implemented by soum administration on local business have been little. However, the participants argue that unfavorable policies and circumstances are caused by imposing high service fees and payment, undue overlaps in existing rules and regulations, and lack of efficient measures to regulate unfair competition at soum markets.

The soum administration must enact policies to support Local businesses. The findings of the survey show that the general ideas about support soum government could provide are linked with those difficulties soum businesses face in expansion of existing and creation of new business. In addition to effective mediation and decision-making, improvement of infrastructure, better access to business loans and support of marketing, measures on seminars, training and information are requested to be organized. The list of things suggested by herders include the use and conservation of grazing resources, improvement of water supplies, marketing, raising funds for business expansion, mediation with banks, support of herding businesses through allowing to participate in development projects and support of herders cooperation.

Factors, which may affect business activities and growth. According to the soum businesses, roads and air transportation are the most important and influential factors for the business growth, whereas communication, electricity and water, spaces were commonly referred as important communal service factors. Amongst the others, corruption, poor availability of financial sources and business support service were named as the factors heavily influencing the quality of life. Herders think that the safety in terms of reduced theft of livestock, water supply (referred to availability of water on pasture), crime and unlawful actions and availability of finances are the decisive and the most influential factors to their businesses.

The most rapid growing sectors. For the last 5 years, as soum businesses and herders see, the fastest growth has been recorded in following sectors: livestock production, crop farming, mining and trade & service. It seems that this evaluation, however, largely concerns the qualitative growth. Despite these ranks are largely based on the quantitative indicators, the accelerated growth in the main backbone economic sectors would bring a catalyzing impact on the future economic and business development.

The slowest growing sectors. Businesses and herders listed communal service, SME, health and education and veterinary and water supply as the slowest growing economic areas. The poor growth and backward trends is in not only in production sectors, but also in the state-run and private service areas. This demonstrates that keeping the economic development strategies focused on business environment and public service is appropriate to induce better economic growth.

The sectors attracting the most investment. According to the businesses and herders involved in the survey, the sectors that have been better in business, but also measurably attracting investments are gold and coal mining resources, land and other conditions suitable for a variety of crops and hardworking people. Permanent electricity, close geographical location to the aimag centre and strong customary livestock arrangements create favorable strengths. Alone with the development of major economic sectors, support should be provided to other sectors to generate measurable economic growth. This would be the main part of the goal of the new LED strategy.

Weaknesses that negatively affect soum economic development. Similar to all other rural economies with an economic base largely dominated by pastoral production, the businesses of Tarialan soum have experienced a number of negative impacts brought on by various weaknesses constraining sustainable economic development. These factors include natural risks, poor financial capacity, outdated technical and technological base, ever-increasing and inherently high material and fuel

costs, unfavorable banking and loan terms, shortage of grazing and water resources and needs for business and skill-updating training. The survey found that effective measures should be taken to combat drinking, unemployment, theft and bureaucracy.

Assessment of changes in the soum business-enabling environment. 82% of businesses and 97% of herders who contributed to the survey say that the environment for the business in the soum has been improving. It is a clear sign of commonly-shared optimism, which is in agreement with the local view about expanding business and the positive future of the economic development, mentioned earlier. In other words, it is a conclusion that cites upon the attention of the soum administration towards creating favorable business environment. In percentages, 20% of respondents see the soum economy as growing rapidly, while 60% perceive moderate growth. A majority of the respondents does not consider the recent developments in the soum economy over the last 5 years such as the opening of new mines, the expansion of crop activities and the growth of the soum herds, rapid. Therefore, it can be concluded that citizens are not satisfied with the current speed of the economic development in the soum.

5.2. SWOT analysis

Based on the finding of the survey on the business-enabling environment undertaken by the soum core team, four basic elements of a SWOT analyses were investigated and a SWOT matrix was developed.

LBES-based SWOT Analyses Matrix

Internal		External	
Strengths	Weaknesses	Opportunities	Treats
<ol style="list-style-type: none"> 1. Local people are highly skilled and generated long traditions in pastoral production and irrigated crop cultivation 2. Soum people are famous for their hard working customs 3. Pasture and land suitable for livestock and crop businesses 4. Rich deposits for mining gold, coal and chalk 5. Natural beauties and historic and cultural heritages, unique ethnic art and culture for wider development of tourism 6. Skills and arts of business well maintained and local stakeholders are interested either to expand or to create businesses in good partnership with local administration 7. Larger population creates markets for soum businesses in trade and service 8. Close location to aimag centre, where large market exists 9. Stakeholders' commitment, initiative and credibility tend to improve 10. Large businesses are economically viable to take and mitigate risks of medium severity 	<ol style="list-style-type: none"> 1. Poor monetary capital and asset accumulation by businesses and entrepreneurs 2. Shortage in local budget and limited power of the soum government to administer budgets 3. A low employment rate and poor educational level of unemployed people 4. Soum government fails to provide training and consultancy to comply with the demand in skilled labor 5. Poor links and cooperation between soum businesses that has been a chronic weakness 6. Weak SME development 7. Out-dated production and service technologies 8. Remoteness from main centralized supply markets 9. Worsened pasture carrying capacity and ever declining water supply 10. Poor hotel and communal service 11. Lack of spaces that are suited for production and services 12. SME's are risk-vulnerable and not covered by risk-avoiding measures 13. Poor availability of business information 	<ol style="list-style-type: none"> 1. Good and reliable access to energy infrastructure 2. Modern communication systems such as Mobicom and Skytel introduced at the soum centre 3. Donors and international projects are interested in selecting the soum for project implementation 	<ol style="list-style-type: none"> 1. High correlation and dependency of livestock and crop production on natural and climatic conditions 2. Irrational and hard-to-comply terms of loans: short-term, with a high interest rate and need for collateral 3. High and ever-growing livestock theft, measures on ensuring public safety, law and order are inadequate 4. Poor road connection and lack of access to improved roads 5. Poor access of herders to main energy and communication infrastructures in rural locations 6. Scanty central government investment 7. Slow process of decentralization 8. Unclear regional development concepts and activities 9. Weak national policy to support ethnic minorities and soums where such minorities live

Internal		External
Strengths	Weaknesses	Opportunities Treats
11. Soum government supports and cooperates with businesses	14. No general land management plan developed	10. Low impact of large businesses on local socio-economic development
12. Lesser intervention of soum government in businesses affairs and no tax, bureaucratic and corruption pressures exerted	15. No long-term soum nature and environment protection policies exist	
13. Trading links with China and Russia	16. Impacts of large and enthusiastic businesses on local communities and economy are poor and unnoticeable	
14. Primary conditions and elements of the environment that is required for attracting investments and financial/technical support for intensive livestock/crop and mining and launching new businesses	17. No visual progress in livestock production exist and processing remains poorly developed	
	18. Poor and irregular contacts with business and donor communities and associations	
	19. Persistence of mentality of dependent and easy life	

5.3. Vision–Goals–Objectives–Programs–Projects Matrix

Vision: Tarialan will be a soum which succeeded in creating a favourable environment for its citizens to live, work and enlighten and bettering the livelihoods resulting from a deliberate exploitation of valuable natural resources, ethnic minority customs and indigenous culture, and strengthened local economy with outputs of domestic production and service

Goals (G)	Objectives (O)	Programs (Pr)	Projects (Pt)	
Goal1 : Rational use, protection and rehabilitation of natural resources	G1:O1: Increase from 3 ha to 8 ha, the areas newly reforested and with established forest belts by 2010	G1:O1:Pr1: Protection of nature and living environment	G1:O1:Pr1:Pt1: Conducting assessment of soum natural environment	1
		G1:O1:Pr2: Forest rehabilitation and gardening	G1:O1:Pr1:Pt2: Reconstruction of existing waste disposal area	2
		G1:O2:Pr1: Introduce co-management of pastures	G1:O1:Pr2:Pt1: Reforestation of areas for tree belts and fruit plots and improving soum centre garden development	3
	G1:O2: Take under permanent utilization of 20000 ha lesser-used pasture by 2010 and increase by 20000 ha by 2015	G1:O2:Pr1: Introduce co-management of pastures	G1:G3:Pr1:Pt1: Developing a long-term plan along with a rule for utilization of pasture and other grazing resources	4
		G1:G3:Pr2: Improve pasture water supply/availability	G1:G3:Pr2:Pt1: Reconstruction of the Galdan Boshigt irrigation canal with a flood protection watershed	5
			G1:G3:Pr2:Pt2: Making new wells for water improvement in spring/autumn grazing areas	6
Goal 2. Protect and exploit ethnic customs, indigenous culture and historic sites for tourist development	G2:O1: By 2009, create capacity to receive 200 tourists and holiday makers, annually	G2:O1:Pr1: Support of tourism business	G2:O1:Pr1:Pt1: Reconstruction of 31 km earth road that connects Ulaangom (aimag centre) and the centre of Tarialan soum	7
			G2:O1:Pr1:Pt2: Developing and printing tourism prospects and information guidelines for tourism promotion in Tarialan soum	8
		G2:O2:Pr1: Conservation and dissemination of ethnic and indigenous cultural heritages	G2:O2:Pr1:Pt1: Preparing and printing materials for training and promotion of ethnic and indigenous cultural heritages	9
	G2:O2: From 2007, arrange training in ethic culture and indigenous customs to cover 100 persons each year		G2:O2:Pr1:Pt2: Foundation of an ethic ensemble at the soum Governor's office supplied with indigenous musical instruments	10
			G2:O2:Pr2:Pt3: Reconstruction of the soum cultural centre	11
			G2:O2:Pr2:Pt4: Build up a mosque and astrologic site	12

Goals (G)	Objectives (O)	Programs (Pr)	Projects (Pt)	
Goal 3: Create a healthy lifestyle by improving the conditions of basic education and train professional labor	G3:01: Reduce the current overloads of the soum secondary school, kindergarten and hospital to national standards by 2015	G3:01:Pr1: Improve the conditions of basic education service	G3:01:Pr1.Pt1: Capital reconstruction of buildings and dormitory of the soum secondary school	13
		G3:01:Pr2: Improve the conditions of health service	G3:01:Pr1.Pt2: Extension to the building of the existing kindergarten	14
	G3:02: Achieve an annual capacity to train 50 professional and skilled persons for local SMEs by 2009	G3:02:Pr1: Provide support to improve availability of professional and skilled workers	G3:01:Pr2.Pt1: Reconstruction of the soum hospital and its equipment and facilities	15
			G3:02:Pr1.Pt1: Making available and reconstructing a training hall at the soum governor's office building	16
	G3:03: Achieve 50% reduction of livestock theft by 2010	G3:03:Pr1: Reduce livestock theft	G3:02:Pr1.Pt2: Conducting a survey to determine local long-term demand for skill-improving training and re-training	17
			G3:03:Pr1.Pt1: Enlarging the existing police units into an office and extending its areas of action	18
	G3:04: Increase the number of people exercising public sports and physical education by 40% by 2015	G3:04:Pr1: Support public physical education and sports	G3:03:Pr1.Pt2: Improving the access of mobile communication networks to herders	19
			G3:03:Pr1.Pt3: Testing subcutaneous electronic chips as a means of controlling the movement of livestock	20
			G3:04:Pr1.Pt1: Setting up and equipping a fitness/body building room at the soum governor's office	21
			G3:04:Pr1.Pt2: Creating a soum fund for promoted public physical education and sport	22

Goals (G)	Objectives (O)	Programs (Pr)	Projects (Pt)	
Goal 4: Improve traditional production and develop new business sectors along with improved marketing	G4:01: Advance in the development of intensive livestock production that shares 5% of the soum annual gross livestock outputs, by 2015	G4:01:Pr1: Support of development of intensive livestock sector	G4:01:Pr1.Pt1: Development of a soum mid-term program of intensive livestock farming	23
			G4:01:Pr1.Pt2: Developing a mid-term activity proposal for re-organizing and strengthening the soum veterinary and livestock breeding service	24
			G4:01:Pr1.Pt3: Introduction of a partnership service for genetic improvement of local livestock herds	25
	G4:02: By 2010, achieve a full availability of space and building for small trade and communal service businesses that meets safety and quality standards	G4:02:Pr1: Provide support to improve quality and availability of trade and communal services	G4:02:Pr1.Pt1: Reconstructing and making available a building for a food market	26
			G4:02:Pr1.Pt2: Reconstructing and making available a building for establishing a trade and communal service centre	27
Goal 5: Improve soum business enabling environment and promote community commitment	G5:01: By 2012, bring the consumers' satisfaction for public business support services up to 90% (to be confirmed by official survey with soum stakeholders)	G5:01:Pr1: Create conditions for improved public and administrative services	G5:01:Pr1.Pt1: Development of a soum general land management plan	28
			G5:01:Pr1.Pt2: Reconstruction and extension of soum administrative offices	29
			G5:01:Pr1.Pt3: Reconstruction of soum centre central roads along with re-doing of street addresses	30
			G5:01:Pr1.Pt4: Improving housing for the civil servants (to build 32 new apartments)	31
	G5:02: Advance from 20% to 80%, the access of soum businesses to improved infrastructure service by 2015	G5:02:Pr1: Improve electricity and heating supply at soum centre	G5:01:Pr1.Pt5: Establishing/introducing "One stop service"	32
			G5:02:Pr1.Pt1: Reconstruction of the soum centre heating facilities to build a centralized heating network	33
			G5:02:Pr1.Pt2: Reconstruction of electricity lines at soum centre	34
			G3:G3:Pr1.Pt3: Reconstruction of lighting at soum centre	35

5.4. Project implementation matrix

No	Title and Code of Projects	Value	Financial contributions						Partners	Implementation		Implementation status	Beneficiaries	
			Local sources			Central Budget				Start	Complete			
			mln. tug	'000 \$	%	mln. tug	%	mln. tug						%
1	G1:O1:Pr1:Pt1: Conducting assessment of soum natural environment	5.0	4.3	0	0	100	5	0	0	SGO Mining companies Prof. organizations	2009	2009	SF	Soum citizens Mining companies
2	G1:O1:Pr1:Pt2: Reconstruction of existing waste disposal area	50.0	25.4	10	5	0	0	90	45	SGO Businesses enterprises Citizens Donors	2008	2008	SF	Soum citizens
3	G1:O1:Pr2:Pt1: Reforestation of areas for tree belts and fruit plots and improving soum centre garden development	30.0	25.8	20	6	30	9	50	15	SGO Business enterprises Prof. organizations Donors	2008	2015	IS/SF	Soum citizens Business enterprises
4	G1:G3:Pr1:Pt1: Developing a long-term plan along with a rule for utilization of pasture and other grazing resources	6.0	5.2	50	3	0	0	50	3	SGO Livestock keepers Livestock enterprises World Bank "SLP" project	2008	2008	SF	SGO Soum citizens Herders
5	G1:G3:Pr2:Pt1: Reconstruction of the Galdan Boshigt irrigation canal with a flood protection watershed	50.0	43.0	0	0	0	0	100	50	Donors Central government Businesses	2009	2010	SF	Soum citizens Businesses Crop enterprises Family-based crop growers
6	G1:G3:Pr2:Pt2: Making new wells for water improvement in spring/ autumn grazing areas	50.0	43.0	0	0	70	35	30	15	Central government Donors Businesses	2007	2015	IS/SF	Soum citizens Businesses

No	Title and Code of Projects	Value	Financial contributions						Partners	Implementation		Implementation status	Beneficiaries	
			Local sources			Central Budget				Start	Complete			
			mln. tug	'000 \$	%	mln. tug	%	mln. tug						
7	G2:01:Pr1:Pt1: Reconstruction of a 31 km earth road that connects Ulaangom (aimag centre) and the centre of Tarialan soum	3000.0	2577	0	0	100	0	0	Central government SGO Donors	2009	2011	SF	Soum citizens Business enterprises	
8	G2:01:Pr1:Pt2: Developing and printing tourism prospects and information guidelines for tourism promotion in Tarialan soum	3.0	2.6	50	1.5	0	0	50	1.5	SGO Donors Businesses Prof. organizations	2008	2008	SF	Soum administration Soum citizens Businesses
9	G2:02:Pr1:Pt1: Preparing and printing materials for training and promotion of ethic and indigenous cultural heritages	10.0	8.6	10	1	0	0	90	9	Citizens Donors Businesses Prof. organizations	2007	2015	SF	Soum citizens
10	G2:02:Pr1:Pt2: Foundation of an ethic ensemble at the soum Governor's office supplied with indigenous musical instruments	10.0	8.6	0	0	0	0	100	10	SGO Donors Prof. organizations	2008	2011	SF	Soum citizens Folk talents
11	G2:02:Pr2:Pt3: Reconstruction of the soum cultural centre	20.0	17.2	0	0	100	20.0	0	0	Central government SGO	2009	2009	SF	Soum citizens
12	G2:02:Pr2:Pt4: Build up a mosque and astrologic site	50.0	43.0	100	50	0	0	0	0	Citizens Donors	2007	2010	IS/SF	Soum citizens

No	Title and Code of Projects	Value	Financial contributions						Partners	Implementation		Implementation status	Beneficiaries	
			Local sources			Central Budget				Start	Complete			
			mln. tug	'000 \$	%	mln. tug	%	mln. tug						
13	G3:01:Pr1:Pt1: Capital reconstruction of buildings and dormitory of the soum secondary school	400.0	343.6	0	0	70	280	30	120	Central government SGO Donors Secondary school	2008	2011	SF	Soum citizens Secondary schoolchildren
14	G3:01:Pr1:Pt2: Extension to the building of the existing kindergarten	30.0	25.8	0	0	100	30	0	0	Central government SGO Donors	2008	2008	SF	Soum citizens Young children
15	G3:01:Pr2:Pt1: Reconstruction of the soum hospital and its equipment and facilities	100	85.9	0	0	50	50	50	50	Central government Donors SGO Aimag health authority Soum hospital	2007	2009	IS/SF	Soum citizens
16	G3:02:Pr1:Pt1: Making available and reconstructing a training hall at the soum governor's office building	10.0	8.6	20	2	50	5	30	3	SGO Donors Citizens & enterprises	2007	2008	IS/SF	Private enterprises Citizens
17	G3:02:Pr1:Pt2: Conducting a survey to determine local long-term demand for skill-improving training and re-training	3.0	2.6	100	3	0	0	0	0	SGO Donors Prof. organizations	2008	2008	SF	Soum citizens Businesses
18	G3:03:Pr1:Pt1: Enlarging the existing police units into an office and extending its areas of action	30.0	25.8	0	0	100	30	0	0	SGO Donors/Australian government Prof. organizations	2010	2011	SF	Soum citizens SGO Police officers

No	Title and Code of Projects	Value	Financial contributions						Partners	Implementation		Implementation status	Beneficiaries	
			Local sources			Central Budget		Donors						
			mln. tug	'000 \$	%	mln. tug	%							
										mln. tug	%			
19	G3:G3:Pr1:Pt2: Improving access of mobile communication networks to herders	40.0	34.4	0	0	0	0	100	40			Donors Private sector	2008	2015
20	G3:G3:Pr1:Pt3: Testing subcutaneous electronic chips as a means of controlling the movement of livestock	50.0	43.0	0	0	0	0	100	50	Donors SGO Police office	2009	2015	SF	Soum citizens
21	G3:O4:Pr1:Pt1: Setting up and equipping a fitness/body building room at the soum governor' office	100.0	85.9	0	0	50	50	50	50	Central government Donors SGO	2009	2010	SF	Soum citizens Secondary school
22	G3:O4:Pr1:Pt2: Create a soum fund for promoted public physical education and sport	5.0	4.3	100	5	0	0	0	0	SGO Donors Private sector	2008	2015	SF	SGO Soum citizens
23	G4:O1:Pr1:Pt1: Development of a soum mid-term program of intensive livestock farming	1.0	0.9	100	1	0	0	0	0	SGO Donors Prof. organizations	2008	2008	SF	SGO Herders & crop growers
24	G4:O1:Pr1:Pt2: Developing a mid-term activity proposal for re-organizing and strengthening soum veterinary and livestock breeding service	30.0	25.8	20	6	0	0	80	24	SGO Donors Aimag Food & Agric. Authority	2008	2010	SF	SGO Private vet service Livestock farmers
25	G4:O1:Pr1:Pt3: Introduction of a partnership service for genetic improvement of local livestock herds	30.0	25.4	20	6	0	0	80	24	Central government SGO Donors	2007	2012	IS/SF	SGO Soum citizens

No	Title and Code of Projects	Value	Financial contributions						Partners	Implementation		Implementation status	Beneficiaries	
			Local sources			Central Budget				Start	Complete			
			mln. tug	'000 \$	%	mln. tug	%	mln. tug				%	mln. tug	
26	G4:02:Pr1:Pt1: Reconstructing and making available a building for a food market	13.0	11	23	3	0	0	77	10	Central government SGO Donors	2008	2009	SF	Private sector Soum herders
27	G4:02:Pr1:Pt2: Reconstructing and making available a building for establishing a trade and communal service centre	200.0	171.8	10	20	0	0	90	180	Central government Private sector Donors	2011	2013	SF	Soum citizens Businesses
28	G5:01:Pr1:Pt1: Development of a soum general land management plan	12.0	10.3	10	1.2	40	4.8	50	6	Donors Aimag land office	2008	2009	SF	SGO
29	G5:01:Pr1:Pt2: Repair and extension of soum administrative offices	130.0	111.7	20	26	50	65	30	39	Central government SGO Donors	2007	2010	IS/SF	SGO Soum citizens
30	G5:01:Pr1:Pt3: Reconstruction of soum centre central roads along with re-doing of street addresses	25.0	21.5	0	0	0	0	100	25	Donors	2008	2009	SF	SGO Soum centre citizens
31	G5:01:Pr1:Pt4: Improving housing for the civil servants (to build 32 new apartments)	240.0	206.2	0	0	100	240	0	0	Central government	2008	2015	SF	SGO Civil servants
32	G5:01:Pr1:Pt5: Establishing/introducing "One stop service"	8.0	6.9	25	2	0	0	75	6	SGO Donors Businesses	2007	2008	SF	Citizens Businesses SGO

No	Title and Code of Projects	Value	Financial contributions						Partners	Implementation		Implementation status	Beneficiaries	
			Local sources			Central Budget				Start	Complete			
			mln. tug	'000 \$	%	mln. tug	%	mln. tug						
33	G5:02:Pr1:Pt1: Reconstruction of the soum centre heating facilities to build a centralized heating network	300.0	257.7	0	0	100	300	0	0	Central government Donors	2010	2013	SF	SGO Soum organizations and enterprises
34	G5:02:Pr1:Pt2: Reconstruction of electricity lines at soum centre	50.0	43.0	0	0	100	50	0	0	Central government SGO Donors Electricity supply	2009	2010	SF	Citizens Businesses
35	G3:G3:Pr1:Pt3: Reconstruction of lighting at soum centre	30.0	25.8	0	0	0	0	100	30	Central government SGO Donors Electricity supply	2008	2008	SF	SGO Soum offices and enterprises Soum centre citizens

5.5. Project ranking matrix

No	Rank	Title and Code of Projects	Hard X), Soft (S)	Very significant	Significant	Not significant
1	34	G1:O1:Pr1:Pt1: Conducting assessment of the soum natural environment	H	13	2	1
2	32	G1:O1:Pr1:Pt2: Reconstruction of existing waste disposal area	S	11	5	0
3	3	G1:O1:Pr2:Pt1: Reforestation of areas for tree belts and fruit plots and improving soum centre garden development	H	8	6	1
4	7	G1:G3:Pr1:Pt1: Developing a long-term plan along with a rule for utilization of pasture and other grazing resources	H	11	4	1
5	13	G1:G3:Pr2:Pt1: Reconstruction of the Galdan Boshigt: irrigation canal with a flood protection watershed	H	10	6	0
6	14	G1:G3:Pr2:Pt2: Making new wells for water improvement in spring/ autumn grazing areas	H	9	7	0
7	29	G2:O1:Pr1:Pt1: Reconstruction of a 31 km earth road that connects Ulaangom (aimag centre) and centre of Tarialan soum	H	10	5	1
8	30	G2:O1:Pr1:Pt2: Developing and printing tourism prospects and information guidelines for tourism promotion in Tarialan soum	H	9	6	1
9	13	G2:O2:Pr1:Pt1: Preparing and printing materials for training and promotion of ethic and indigenous cultural heritages	H	8	7	1
10	23	G2:O2:Pr1:Pt2: Foundation of an ethic ensemble at the soum Governor's office supplied with indigenous musical instruments	S	8	7	1
11	25	G2:O2:Pr2:Pt3: Reconstruction of the soum cultural centre	S	7	9	0
12	2	G2:O2:Pr2:Pt4: Build up a mosque and astrologic site	H	7	8	1
13	24	G3:O1:Pr1:Pt1: Capital reconstruction of buildings and dormitory of soum secondary school	S	7	8	1
14	35	G3:O1:Pr1:Pt2: Extension to the building of the existing kindergarten	H	8	6	2

No	Rank	Title and Code of Projects	Hard X, Soft (S)	Very significant	Significant	Not significant
15	1	G3:O1:Pr2:Pt1: Reconstruction of the soum hospital and its equipment and facilities	S	6	9	1
16	5	G3:O2:Pr1:Pt1: Making available and reconstructing a training hall at the soum governor's office building	H	3	12	1
17	6	G3:O2:Pr1:Pt2: Conducting a survey to determine local long-term demand for skill-improving training and re-training	H	7	7	2
18	19	G3:G3:Pr1:Pt1: Enlarging the existing police units into an office and extending its areas of action	H	4	12	0
19	27	G3:G3:Pr1:Pt2: Improving access of mobile communication networks to herders	H	6	8	2
20	28	G3:G3:Pr1:Pt3: Testing subcutaneous electronic chips as a means of controlling the movement of livestock	S	6	8	1
21	33	G3:O4:Pr1:Pt1: Setting up and equipping a fitness/body building room at the soum governor's office	H	4	11	1
22	16	G3:O4:Pr1:Pt2: Create a soum fund for promoted public physical education and sport	H	5	10	0
23	31	G4:O1:Pr1:Pt1: Development of a soum mid-term program of intensive livestock farming	H	7	5	4
24	4	G4:O1:Pr1:Pt2: Developing a mid-term activity proposal for re-organizing and strengthening soum veterinary and livestock breeding service	S	11	5	0
25	8	G4:O1:Pr1:Pt3: Introduction of a partnership service for genetic improvement of local livestock herds	S	3	12	0
26	17	G4:O2:Pr1:Pt1: Reconstructing and making available a building for a food market	S	1	15	0
27	26	G4:O2:Pr1:Pt2: Reconstructing and making available a building for establishing a trade and communal service centre	H	6	6	3
28	11	G5:O1:Pr1:Pt1: Development of a soum general land management plan	H	1	15	0
29	18	G5:O1:Pr1:Pt2: Repair and extension of soum administrative offices	S	5	7	3

No	Rank	Title and Code of Projects	Hard X, Soft (S)	Very significant	Significant	Not significant
30	20	G5:O1:Pr1:Pt3: Reconstruction of soum centre central roads along with re-doing of street addresses	S	2	12	2
31	10	G5:O1:Pr1:Pt4: Improving housing for the civil servants (to build 32 new apartments)	S	0	14	2
32	9	G5:O1:Pr1:Pt5: Establishing/introducing "One stop service"	S	1	11	4
33	22	G5:O2:Pr1:Pt1: Reconstruction of soum centre heating facilities to build a centralized heating network	S	2	9	5
34	12	G5:O2:Pr1:Pt2: Reconstruction of electricity lines at soum centre	H	1	9	6
35	21	G3:G3:Pr1:Pt3: Restoration of lighting at soum centre	Y	1	9	4

Method for project prioritization

The projects included in the soum LED strategy were ranked by the stakeholders using three main criteria: very significant, significant and not significant. In order to undertake the ranking of the projects, 21 members of both of the Planning Commission and Working groups as well as the soum core teams were given the list of the projects. The main procedural stages of the prioritization of the projects were:

- Stage 1: Sort the projects by the stakeholders by their economic importance as hard (H) and soft (S)
- Stage 2: Assess the project by the stakeholders how they are significant
- Stage 3: Aggregate the findings of the stage 2 according to the criteria applied and calculate the average scores
- Stage 4: Rank the projects by listing down based on the scores: from high scores to low
- Stage 5: Make a project prioritization matrix

5.6. Strategic directions of soum business promotion

Strategic Directions	Short Description	Contact Organizations and Person
1. Set up permanent tourist camps	Based on the natural beauty, unique indigenous cultural and customary heritages of Khoton people, historical and sightseeing sites, to set up permanent tourist camp/s for domestic and foreign tourists.	SGO, Tel: 59456301 & 50458862
2. Establish dairy farm/s	With a strategic goal to supply milk to soum and aimag markets and consumers, 4 farms will be established with 5 to 10 dairy cows each.	Food and agricultural officer Tel: 50458862
3. Pig farming	To set up pig farms in Teel and Khotgor, the areas rich in feed sources to meet local demand in meat at aimag markets	Food and agricultural officer Tel: 50458862
4. Poultry farming	To set up poultry farms in Teel and Khotgor to supply aimag consumers with fresh eggs and chicken	Food and agricultural officer Tel: 50458862
5. Alfalfa seed production	To encourage crop cultivation within the soum and export to external markets, new alfalfa seed growing businesses are to be established in Teel and Khartolgoi areas	Food and agricultural officer Tel: 50458862 "Altan Duulga" LLC "Tuya Uvs" cooperative
6. The seabuckthorn primary plantation	To establish a berry farm with a 3 ha plot in Sam Damchaa for nursing young seabuckthorn plants for domestic growers and exporting fruits to overseas markets	SGO, Tel: 59456301 & 50458862
7. Fruit and berry plantation	To establish a berry production entity with a 5 ha plot in Teelin shugui and Sam Damchaa to produce berries for domestic and foreign markets	SGO, Tel: 59456301 & 50458862 Food and agricultural officer Citizens & enterprises
8. Increased cultivation of improved and local vegetable varieties	To promote increased vegetable cultivation and provide individuals and business entities with improved seeds, to organize demonstrations and field days for local growers and disseminate local best practices	SGO, Tel: 59456301 & 50458862 Food and agricultural officer Citizens & enterprises
9. Irrigated crop farming	Extend the existing irrigation canals to crop plots cultivated by citizens and entities, supply with basic equipment for hand and mechanized crop irrigation and provide training in irrigated crop farming	SGO, Tel: 59456301 & 50458862 Food and agricultural officer Citizens & enterprises

Strategic Directions	Short Description	Contact Organizations and Person
10. Crop cultivation machinery innovation	Supply high capacity small-scale machinery, equipment, tools to assist local crop growers in re-innovating existing large, low-performance machinery	SGO, Tel: 59456301 & 50458862 Food and agricultural officer Citizens & enterprises
11. Cultivation of vegetables in greenhouses	In order to supply soum and aimag consumers with locally grown fine vegetables (cucumbers, tomatoes, salad etc.) to build a greenhouse and take measures on training of workers and provision of necessary seeds/fertilizers	SGO, Tel: 59456301 & 50458862 Food and agricultural officer Citizens & enterprises
12. Brown barley seed production	To increase cultivation of the variety of native barley known as brown barley and to produce certified seed for domestic and foreign markets	SGO, Food and agricultural officer Tel: 50458862 "Altan Duulga" LLC "Tuya Uvs" cooperative Citizens
13. Improved vegetable storage facilities	To establish improved storage facilities that will enable local growers to store vegetables for a long time and sell them	SGO, Tel: 59456301 & 50458862 Private enterprises
14. A construction blocks and bricks plant	Based on locally available construction materials to launch a new plant to supply construction blocks and bricks to soum and aimag. The existing resources are sufficient to support establishment of 2-3 small plants	SGO, Tel: 59456301 & 50458862 Private enterprises
15. Tailor shops	In order to satisfy demand of soum citizens and to create new jobs, to set up 2-3 sewing/tailor shops, and provide training and skill-upgrading for citizen interested in such activities	SGO & Social welfare officers Tel: 59456301 & 50458862
16. Technical repair and service centre	Set up a centre for repair and service of agricultural machinery, cars, motorcycles, SME equipment and various electronics. Organize training and demonstration	SGO, Tel: 59456301 & 50458862 Private enterprises
17. Ger wooden frame making	Making and repair of wooden ger frame and furniture for local needs and supply to aimag market, arrange training for citizens interested in acquiring skills for making such items	SGO, Tel: 59456301 & 50458862 Private enterprises
18. Soft drink and pure water shop	Set up a shop equipped with equipment for making/bottling soft drinks and pure water to meet the local demand and arrange training for interested individuals	SGO, Tel: 59456301 & 50458862 Private enterprises

Strategic Directions	Short Description	Contact Organizations and Person
19. Bakery shop	In order to make better use of locally produced flour and encourage citizens to produce fresh bakery items, to create new jobs for unemployed people at soum, set up SME type bakeries	SGO, Tel: 59456301 & 50458862 Private enterprises
20. Fodder plant	In order to improve utilization of hay and crops produced by soum citizens and enterprises, to set up a plant for making high quality fodder	SGO, Tel: 59456301 & 50458862 "Altan Duulga" LLC
21. Processing and packaging of vegetables and fruit	Establish a plant to process and package vegetables and fruit locally produced by soum citizens and businesses on a contract basis. This would encourage increased crop production and creation of new jobs	SGO, Tel: 59456301 & 50458862 Private enterprises
22. Renovate equipment at the millet plant	Equipment of the existing millet processing plant to be renovated, the building repaired, and the workers to be trained	SGO, Tel: 59456301 & 50458862 "Tuya Uvs" cooperative
23. Renovate and expand the barley flour making plant	In order to cope with increased demand to renovate equipment and machinery at the barley flour making plant, repair the building and train workers	SGO, Tel: 59456301 & 50458862 "Altan Turuu" partnership
24. Expansion of the wheat flour plant	Renovate machinery and equipment at the existing wheat flour plant and train workers to operate newly introduced technologies	SGO, Tel: 59456301 & 50458862 Private enterprises and citizens
25. Dairy processing shop	Supply soum and aimag consumers with milk and dairy products, create new workplaces, provide the shop with necessary tools and equipment and arrange training to local people	SGO, Tel: 59456301 & 50458862 "Tavan Zasal" cooperative Private enterprises and citizens
26. Primary processing of intestines	By establishing a plant for primary processing of intestines we aim to export raw materials procured by herders to foreign markets, to create new jobs. Provide the plant with necessary tools and equipment and arrange staff training.	SGO, Tel: 59456301 & 50458862 "Tuya Uvs" cooperative Citizens
27. Wool processing & felt boot making plant	Establish a facility for processing locally produced wool. The aim is to export raw materials procured by herders to domestic and foreign markets, to create new jobs. Provide the plant with necessary tools and equipment and arrange staff training.	SGO, Tel: 59456301 & 50458862 Z.Tegshjargal, citizen

5.7. Project fiches

Nº 1	Project: G1:O1:Pr1:Pt1: Conducting assessment of soum natural environment	Program: G1:O1:Pr1: Protection of nature and living environment
<p>Short Description: The negative impact of global and regional factors such as global warming along with aridity, observed also in the Great Lake Depression area, has been continuously increasing. In addition, there is clear evidence that many human activities undertaken in the process of economic and social development within the soum, such as expanded mining, crop cultivation, intensive growth of the herd, overgrazing of natural pastures affect the nature and environment in an unfavorable way. Thus, there is a need to make an assessment of the changes underway and transformations that may occur in the future and evaluate environmental changes in the near future as well as the existing bio-ecological system and available natural resources vulnerable to possible androgenic and technological impacts. As a result of the assessment, a soum policy document that contains a set of recommendations along with identified measures/activities and mechanisms for subsequent implementation will be developed.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Assessment of the natural-ecological environment within the soum and surrounding territories conducted • Measures/activities and the mechanism to be undertaken by local communities, business entities and public organizations for protection and conservation of the nature supported by proper exploitation determined • A system of locally-adapted simple criteria for monitoring and determining on-going changes in environment developed • Mechanisms and subsequent arrangements of environmental and ecological control ensuring stakeholders' participation underway 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum citizens • Mining companies
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Mining companies • Professional institutions 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Central government • Mining companies • Businesses • Professional organizations
<p>Preconditions:</p> <ul style="list-style-type: none"> • Consultations with local and national professional organizations that could cooperate and support held • Organizations that could serve as information sources identified and initial tasks underway 		<p>Risk Factors:</p> <ul style="list-style-type: none"> • Lack of financing from the government
<p>Estimated Finances, million MNT: 5.0</p> <ul style="list-style-type: none"> • Transportation – 0.4 • Consultancy fees – 0.2 • Field research – 0.4 • Evaluation and mapping of resources – 4.0 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 1 year starting from 2009</p>		<p>Impact Period: Sustainable after the project is implemented</p>

Nº 2	Project: G1:O1:Pr1:Pt2: Reconstruction of the existing waste disposal area	Program: G1:O1:Pr1: Protection of nature and living environment
<p>Short Description: Problems associated with the improved solid waste disposal become a matter of urgency due to the increased number of resident households and enterprises in the soum centre along with expansion of work on construction of new and repairing old buildings over the last years. This urgently raises a whole set of issues related to introduction of proper collection, transportation and disposal of waste at a centralized point. The area where the waste is disposed of has been expanding. Along with public awareness component for the citizens and entities, the project aims firstly at piling up the wastes and putting a fence around to prevent further “scale up” and make a landfill to bury waste that is not harmful to soil and water. Supports by donors and international organizations would be essential to achieve a full implementation of the project. Solid waste collection containers will be installed in most crowded and suspicious to be polluted areas.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • A protected area for soum centre solid waste disposal established • Open disposal of wastes and pollution of soil and water by solid wastes reduced • The air pollution and dust in and around soum centre diminished 		Target Groups: Soum citizens
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Business entrepreneurs 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • SGO • Business entrepreneurs • Citizens • Donors and international organizations
<p>Preconditions:</p> <ul style="list-style-type: none"> • Entities, organizations and citizens to participate and contribute to the project identified • An advanced agreement to hire high-capacity machinery reached 		Risk Factors: None
<p>Estimated Finances, million MNT: 50.0</p> <ul style="list-style-type: none"> • Make a landfill – 15.0 • Build fences around the waste disposal area – 2.0 • Making and installing containers for waste collection – 1.3 • Labor costs – 4.0 • Hiring excavator – 23.0 • Costs for advertisement and public information dissemination – 0.2 • Cleaning and rehabilitating polluted areas – 4.5 		
Contact Organization and Person: SGO		
Implementation Period: 1 year starting in 2008		Impact Period: Sustainable after the project is implemented

Nº 3	Project: G1:O1:Pr2:Pt1: Reforestation of areas for tree belts and fruit plots and improving soum centre garden development	Program: G1:O1:Pr2: Forest rehabilitation and gardening
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Short Description: It is foreseen that the project would be designed in two parts: rehabilitation of forest resources and upgrading soum centre green areas. In the view of a significant reduction of forests, a set of forest rehabilitation measures will be implemented with the help and participation of soum stakeholders and donors and international organizations. A mass campaign for the planting trees in khashaas, enclosures around offices and tree planting along the major streets of the soum centre will be initiated. By expanding and cultivating the existing Youth Leisure Garden convert it to a public recreational garden. Improved forestation and tree gardening will be important for reduction of air and soil pollution and improvement of the hygienic conditions of the centre. Depending on policies, aims, interests of donors and investors and availability of financial sources, the project might be implemented in parts.

Expected Results: <ul style="list-style-type: none"> • Activities on rehabilitation of forests in heavily deforested areas launched • The overall size of the natural and artificially forested areas and forest resources increased • The green areas in the soum centre and its surroundings upgraded with increased tree planting • Tree and shrub planting in gardening and income–deriving purposes established 		Target Groups: <ul style="list-style-type: none"> • Soum citizens • Business enterprises
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Business entrepreneurs • Forest and nature protection professional organizations 		Potential Actors: <ul style="list-style-type: none"> • SGO • Business entrepreneurs • Forest management professional organizations • Donors
Preconditions: <ul style="list-style-type: none"> • Areas where rehabilitation needed are identified • People and entities trained in tree planting and forest rehabilitation • Preparatory activities for tree planting and forest rehabilitation by families and entities launched 		Risk Factors: <ul style="list-style-type: none"> • Damage by unattended animal grazing • Drought
Estimated Finances, million MNT: <ul style="list-style-type: none"> • Building fences and protection posts – 8.5 • Labor costs – 6.0 • Soil preparation – 6.5 • Digging additional irrigation canals – 4.0 • Making water diverting canals – 2.0 • Purchase and planting seedlings and seeding materials – 3.0 		30.0
Contact Organization and Person: SGO		
Implementation Period: 2008–2015		Impact Period: Sustainable after the project is implemented

Nº 4	Project: G1:G3:Pr1:Pt1: Developing a long-term plan along with regulations for utilization of pastures and other grazing resources	Program: G1:O2: Pr1: Introduce co-management of pastures
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Short Description: Insufficient availability of wells and open water sources and failure to secure seasonal and in-seasonal pasture grazing arrangements causes serious negative consequences such as overgrazing, heavy degradation of natural pastures and other grazing resources, and increased disputes and conflicts among the herders. The soum communities urgently need to work out efficient measures for educating herders in scheduled use of pastures in accordance with its existing carrying capacity and productivity and put in effect a soum-specific basis for the legal regulations and activity planning at grazers' group levels. Implementation of this project will create excellent prerequisites for efficient solution of urgent issues related to the use and protection of pastures based on group co-management.

Expected Results: <ul style="list-style-type: none"> • Herders educated in scheduled use of pastures in accordance with its existing carrying capacity and productivity • A soum-specific basis for the legal regulations and activity planning for improved grazing management re-designed • Introduction of soum-specific regulations for a group-based or co-management of pasture use launched • Disputes and conflicts over use of pastures reduced 		Target Groups: <ul style="list-style-type: none"> • SGO • Soum citizens • Herders
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Herders • Livestock keepers (families and enterprises) 		Potential Actors: <ul style="list-style-type: none"> • SGO • Livestock keepers (families and enterprises)
Preconditions: <ul style="list-style-type: none"> • Boundaries of seasonal pastures of herders' groups mapped • Seasonal and camp-sharing composition of herders' groups identified • An annual soum land management plan developed and updated on a regular basis 		Risk Factors: <ul style="list-style-type: none"> • Droughts and zud • In-migration of large numbers of households and livestock • Access to water
Estimated Finances, million MNT: 6.0 <ul style="list-style-type: none"> • Costs for conducting survey and case studies on use of pasture – 0.8 • Hiring consultant – 0.6 • Developing and printing revised soum pasture maps – 3.4 • Organizing activities on herders' group-based possession of pasture – 0.8 • Training and information dissemination – 0.4 		
Contact Organization and Person: SGO		
Implementation Period: 2 years		Impact Period: Sustainable after the project is implemented

№ 5	Project: G1:G3:Pr2:Pt1: Reconstruction of the Galdan Boshigt irrigation canal with a flood protection watershed	Program: G1:G3:Pr2: Improve pasture water supply/availability
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Short Description: Traditionally, people of Tarialan soum engaged in pastoral livestock breeding as well as in extensive cultivation of barley and fodder crops. A hand-dug canal built up in 1700 century, known as the “Galdan Boshigt Bukh” has been and continues to play an important role in sustainable and efficient co-existence of these two agricultural sub-sectors. Over centuries, however, earth and gravel have filled the 28 km long canal, which steadily led to decrease of the depth of the canal. The headwater catchments and looped turns are badly damaged by heavy rains that frequently occur. The parts of the canal lying across the slopes of hills and mountains have been broken by flooding and run-offs. Restoration of the canal, which is an important facility for many families and a valuable historical object, to its original shape and building a flood protection watershed would be an invaluable contribution to the society. The project is to be implemented with a heavy support of donors and investors with an active involvement of professional organizations.

Expected Results: <ul style="list-style-type: none"> • The “Galdan Boshigt Bukh” canal restored to its original shape and design • Dependency of small farmers on engineered irrigation system decreased and irrigation of plots owned by households engaged in crop cultivation (crops, hay, vegetables, berry shrubs) ensured • Exploitation of land suitable for crop farming increased • Satisfaction of local people for restoration of the historical site they have been attempting to preserve 		Target Groups: <ul style="list-style-type: none"> • Soum citizens • Business entrepreneurs • Crop cultivating entities • Household-based crop growers
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Soum citizens 		Potential Actors: <ul style="list-style-type: none"> • Donors and international organizations • Central government • Business entrepreneurs
Preconditions: none		Risk Factors: None
Estimated Finances, million MNT: 50.0 <ul style="list-style-type: none"> • Developing design of restoration of the canal – 1.5 • Hiring machineries and labor costs for digging and cleaning – 20.0 • Build protective dam and flood drainage at the head construction and loops – 24.0 • Making canals for diverting water and construct new water distribution auxiliaries – 4.5 		
Contact Organization and Person: SGO		
Implementation Period: 3 years from 2009		Impact Period: Sustainable after the project is implemented

№ 6	Project: G1:O3:Pr2:Pt1: Making new wells for water improvement in spring/ autumn grazing areas	Program: G1:G3:Pr2: Improve pasture water supply/availability
Short Description: Due to variations in availability of wells and surface water in various seasons and decline in the water yield, supply of drinking water for population and livestock decreases. This causes an escalation of such negative phenomena as imbalanced use of pastures, environment pollution, disputes and conflicts between users. It is necessary to improve water supply by building 20 new wells in traditional spring and summer grazing territories, rehabilitating the broken wells and introduce a group-based well management.		
Expected Results: <ul style="list-style-type: none"> • Availability of water and its supply improved as a result of the increased number of both engineered and hand-dug wells • Natural freshwater sources are taken under protection of local government and stakeholders • Co-management of water introduced and disputes reduced • Implementation of water laws and regulations improved 		Target Groups: <ul style="list-style-type: none"> • Soum citizens • Business entrepreneurs
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Soum citizens 		Potential Actors: <ul style="list-style-type: none"> • Central government • Business entrepreneurs
Preconditions: <ul style="list-style-type: none"> • Locations where wells will be built identified • Natural freshwater sources to be taken under protection identified 		Risk Factors: <ul style="list-style-type: none"> • Inadequate repair of wells • Concentration of livestock leading to reduced water yield
Estimated Finances, million MNT: 50.0 <ul style="list-style-type: none"> • Undertaking hydrological survey – 3.0 • Drilling 5 deep wells and build hat – 24.8 • Rehabilitate 5 broken deep wells – 13.0 • Install facilities for lifting water at new 8 hand-dug wells – 5.2 • Clean and put replace existing internal layering of hand wells – 1.4 • Install other facilities for storing water – 0.6 		
Contact Organization and Person: SGO, Tarialan soum Uvs aimag		
Implementation Period: 8 years		Impact Period: Sustainable after the project is implemented

№ 7	Project: G2:O1:Pr1:Pt1: Reconstruction of a 31 km earth road that connects Ulaangom (aimag centre) and centre of Tarialan soum	Program: G2:O1:Pr1: Support of tourism business
Short Description: Building a paved road connecting the centre of Tarialan soum with the city of Ulaangom would lend support in solution of two main problems: (i) assist soum businesses in gaining access to the aimag markets, taking advantage of the close location to the aimag centre, since regular supply of goods/products to and from Ulaangom will be facilitated; and (ii) eliminate major difficulties, namely poor roads, in receiving tourists and visitors attracted by virgin nature, traditions and customs, unique cultural and historic heritages.		
Expected Results: <ul style="list-style-type: none"> • Opportunities of soum residents to market domestic products and access locally unavailable services improved • Opportunities to receive tourists and visitors increased • Transportation and vehicle maintenance costs reduced 		Target Groups: <ul style="list-style-type: none"> • SGO • Soum citizens • Business enterprises
Potential Stakeholders to Participate: SGO, Tarialan soum		Potential Actors: <ul style="list-style-type: none"> • Central government • Donors and international organizations
Preconditions: Costs and the design of the hardtop road worked out		Risk Factors: No resource allocation in the state budget
Estimated Finances, million MNT: 3000.0 (Costs and the design of the road to be calculated by professional organizations)		
Contact Organization and Person: SGO		
Implementation Period: 3years		Impact Period: Sustainable impacts are expected after implementation

№ 8	Project: G2:O1:Pr2:Pt2: Developing and printing tourism prospects and information guidelines for tourism promotion in Tarialan soum	Program: G2:O1:Pr1: Support of tourism business
<p>Short Description: Even though at present Tarialan soum does not have created all conditions for development of tourism as an established business, it has many things to attract tourists and visitors, sites to show and to promote. In order to promote our soum as the cradle of traditional culture, customs and unique folk arts to foreign and domestic tourists and visitors coming to Uvs aimag and to join the national tourism network, we need to design tours, and develop booklets and other advertising materials to start active publicity campaign. The soum government fully supports the initiatives of individuals and organizations that strive to develop tourism in the area. Since high professional skills and specific advertising style are required for this work, it is best to implement it in the form of a project.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Tourism development program and research materials developed • Potential to promote the soum and to attract tourists and visitors strengthened • Contributions of soum residents and organizations in receiving tourists in the frame of the national tourism network increased 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum government organizations • Soum citizens • Business entrepreneurs
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Tourism administration and development organizations • Economic entities and citizens 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • SGO • Donors and international organizations • Business entrepreneurs • Professional organizations
Preconditions: none		Risk Factors: None
<p>Estimated Finances, million MNT: 3.0</p> <ul style="list-style-type: none"> • Prepare pamphlets, program and other materials for information dissemination and advertisement – 1.0 • Printing and distributing materials prepared – 2.0 		
Contact Organization and Person: SGO		
Implementation Period: 1 year from 2008		Impact Period: Sustainable after the project implemented

№ 9	Project: G2:02:Pr1:Pt1: Developing and printing materials for training and promotion of ethnic customs and indigenous cultural heritages	Program: G2:02:Pr1: Conservation and dissemination of ethnic cultural heritage
<p>Short Description: Due to different reasons and circumstances, including influence of the popular culture, information technology and modern arts, changes in interests of people, lack of material resources, the issue of conveying ethnic customs, cultural and historical heritages preserved by Khoton community over the centuries to the young and upcoming generation becomes more challenging. Apart from promotion of ethnic cultural heritage in the framework of various cultural and public events, it is important to educate the youths systematically upon their indigenous culture and customs and making documentaries designed for different mass media and private use.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Possibilities to organize measures for promotion and education of youth in ethnic Khoton culture and customs through mass training and promotion • Conditions to deliver and disseminate documentaries and visual materials to the public, to establish and keep a database created • Opportunities for using the ethnic culture and art as a unique tool for public education, tourism and cultural exchange 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum citizens • SGO
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Professional organizations • Civil and public education and culture service organizations 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Citizens • Donors and international organizations • Business entrepreneurs • Professional organizations
Preconditions: none		Risk Factors: None
<p>Estimated Finances, million MNT:</p> <ul style="list-style-type: none"> • Develop training program – 0.3 • Prepare and print handouts and materials – 1.4 • Print handouts and materials – 4.2 • Making a soum tourism WEB site – 2.2 • Training – 2.0 		10.0
Contact Organization and Person: SGO		
Implementation Period: 8 years from 2007		Impact Period: The impacts will be made sustainable after the project implemented

№ 10	Project: G2:02:Pr1:Pt2: Foundation of an ethnic ensemble at the soum Governor's office supplied with indigenous musical instruments	Program: G2:02:Pr1: Conservation and dissemination of ethnic and indigenous cultural heritages
<p>Short Description: The commonly used arrangements and musical instruments are not applicable to demonstrate the unique assembly of the traditional historical and cultural play actions and performances of Khoton people. There is a need to implement a project with financial assistance of goodwill individuals, institutions and donors under the auspices of the soum administration to establish an ethnic ensemble, mobilizing local talents and artisans to craft a special set of stringed and woodwind musical instruments such as tsoor, bii khuur and single reed clarinet, which are not used anywhere in the world.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • A capacity to produce locally folk musical instruments established • An ethnic culture band established at the soum government, activities on promotion and dissemination of ethnic culture and heritage are made systematic • Coverage and outreach of public cultural services extended 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum citizens • Local talents
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Professional cultural and art organizations • Local talents 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • SGO • Professional organizations • Donors and international organizations
<p>Preconditions:</p> <ul style="list-style-type: none"> • Identify local talents • Find local craftsman and artisans able to make musical instruments • Survey on design and construction of musical instruments and accessories 		<p>Risk Factors: None</p>
<p>Estimated Finances, million MNT: 10.0</p> <ul style="list-style-type: none"> • Making Khoton musical instruments – 2.6 • Conduct training in indigenous arts and performances – 0.4 • Purchase and making clothing – 3.5 • Training for the Khoton art troop – 0.6 • Prepare and print program and pamphlet – 0.6 • Making clips, DVDs and CDs – 2.3 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 3 years</p>		<p>Impact Period: Sustainable after the project implemented</p>

№ 11	Project: G2:02:Pr1:Pt3: Reconstruction of the soum cultural centre	Program: G2:02:Pr1: Conservation and dissemination of ethnic and indigenous cultural heritages
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Short Description: The building, equipment and internal facilities of the soum culture centre as a main venue for delivery of cultural services and training have become significantly out-dated and do not meet the demand of delivering services to the public and tourists. The main activities and measures to be undertaken as the components of the proposed project are to repair the ceiling, walls and floor at the main hall, repair the room of the ethnographic museum. In addition, the lights and internal decorations of the stage are needed to be reconstructed. In order to improve the acoustics of the main hall, work to renovate audio equipment and replace the seats is needed. These activities can be arranged either in stages or as separate subcomponents.

Expected Results: <ul style="list-style-type: none"> • Improvement of the potential to arrange various cultural activities in the soum • Training in ethnic culture can be arranged all year around • Expansion of the scope of cultural services 		Target Groups: <ul style="list-style-type: none"> • Soum citizens • Young people
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • Central government • SGO 		Potential Contributors: <ul style="list-style-type: none"> • Central government • SGO • Donors/investors
Preconditions: Design and cost estimates prepared		Risk Factors: None
Estimated Budget, million MNT: 20.0 <ul style="list-style-type: none"> • Capital reconstruction of the building of cultural centre – 10.0 • Renew display chambers and desks of the local museum – 1.5 • Buying new exponents – 2.0 • Purchase and install acoustic facilities, lights and other premises for the concert scene – 1.2 • Replace seats of the active hall – 1.2 • Upgrade outside areas – 0.6 • Upgrade and extend the heating system – 3.5 		
Contact Organization and Person: SGO		
Implementation Period: one year from 2009		Impact Period: Sustainable functioning of the center after the project completed.

№ 12	Project: G2:O2:Pr1:Pt4: Build up a mosque and astrologic site	Program: G2:O2:Pr1: Conservation and dissemination of ethic and indigenous cultural heritages
Short Description: A mosque as a place with specific environment for preserving ethnic customs, religious believes and worship traditions and disseminating them to young generation will be created. The main components of the project are to build a mosque, an astrologic site, to making/crafting accessories for religious ceremonies, to establish a joint school and help local community to establish contacts with other Muslim mosques		
Expected Results: <ul style="list-style-type: none"> Impacts of religious believes on reduced drinking, smoking, crime among population The Muslim religious worship traditions and believers' customs of ethnic Khoton minority preserved and passed to next generation Believes of hard working traditions and commitment of Khoton people passed to younger generations 		Target Groups: <ul style="list-style-type: none"> Soum citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> SGO Professional organizations 		Potential Contributors: <ul style="list-style-type: none"> SGO Citizens Donors
Preconditions: <ul style="list-style-type: none"> The design and estimates prepared The astrologists identified 		Risk Factors: None
Estimated Budget, million MNT: 50.0 <ul style="list-style-type: none"> Dismount roof and walls of the old building – 0.6 Reconstruct and re-build a mosque – 40.0 Internal decorations and upgrading – 2.5 Buying/making Muslim religious and worship items and installing – 3.0 Reconstruct teaching rooms for joint school – 2.6 Making special facility upgrading for service – 1.3 		
Contact Organization & Person: SGO		
Implementation Period: 2 years from 2009		Impact Period: Sustained after the project finished

№ 13	Project: G3:O1:Pr1:Pt1: Capital reconstruction of buildings and the dormitory of the soum secondary school	Program: G3:O1:Pr1: Improve the conditions of basic education service
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Short Description: The secondary school accommodates over 1000 pupils. The 1–4th classes are on two shifts daily. 300 children stay in the school dormitory for 150 children. Over 60 children of herder families, who have nowhere to stay, are left out of the dormitory. The training facilities, equipment, visuals are badly outdated and are inadequate for a modern schooling. All these negatively affect the quality of education. The project aims at making remarkable advancements towards achieving the national standards in terms of physical conditions of the school buildings, equipment and other training facilities and improving the quality of education. The main activities to be taken place in the framework of the project are to build an extension to the school and dormitory buildings, make capital repair of existing buildings and updating training facilities; and improving provision of modern training equipment and audio/video materials.

Expected Results: <ul style="list-style-type: none"> • The training environment and facilities meet the national standards • Improvement of the quality and performance indicators • Improvement in the staffing of the school 		Target Groups: <ul style="list-style-type: none"> • School children • Soum citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • Central government • SGO • Secondary school 		Potential Actors: <ul style="list-style-type: none"> • Central government • Donors and international organizations
Preconditions: <ul style="list-style-type: none"> • Proposals and costs of the project estimated 		Risk Factors: <ul style="list-style-type: none"> • No financial sources earmarked in the state budget
Estimated Finances, million MNT: 400.0 <ul style="list-style-type: none"> • Capital remount and extension of school and dormitory buildings – 340.0 • Upgrading of training facilities – 24.0 • Costs for upgrading internal reconstruction and cultural–living facilities and other soft and hard materials of school dormitory – 18.5 • Upgrading outside areas – 3.0 • Special reconstruction and upgrading dormitory rooms for female students – 14.0 		
Contact Organization and Person: Director of the secondary school		
Implementation Period: 3 years, 2008–2011		Impact Period: Sustainable improvement in the performance of the school will be attained

№ 14	Project: G3:O1:Pr1:Pt4: Extension to the building of the existing kindergarten	Program: G3:O1:Pr1: Improve the conditions of basic education service
<p>Short Description: Owing to the a high annual birth rate that quickly builds up a large population that live in Tarialan soum, the accessibility/availability of seats in the soum kindergarten has been chronically low for children of preschool age. Since early 1980s, no capital repair and extension to the building, where the soum kindergarten is located, has been made. An extension to the main building of the kindergarten will become an excellent measure for improvement of the training environment and physical condition of the kindergarten and it will enable delivery of improved preschool education to local children. The extension to the building, better provision of equipment and capacity building of staff are measures the project should implement.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • The training environment and material base of the soum kindergarten improved and strengthened. • Coverage of children of preschool age increases 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum citizens • Children of preschool age
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Central government • Business entrepreneurs
<p>Preconditions:</p> <ul style="list-style-type: none"> • Cost estimates and design of the building made 		<p>Risk Factors: None</p>
<p>Estimated Finances, million MNT: 30.0</p> <ul style="list-style-type: none"> • Extension of buildings of soum kindergarten and nursery – 24.0 • Upgrading training and visual materials and audio/video equipment – 2.5 • internal reconstruction and cultural–living facilities and other soft and hard materials – 1.0 • Reconstruction of playground and recreational space in outside areas – 1.0 • Special arrangements for pre–school education for children of different age – 1.5 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 2 years</p>		<p>Impact Period: Sustainable after the project implemented</p>

Nº 15	Project: G3:O1:Pr2:Pt1: Reconstruction of the soum hospital and its equipment and facilities	Program: G3:O1:Pr2: Improve the conditions of health service
<p>Short Description: The building of the soum hospital was designed and built up in the 1980s to serve 3000 people and has been the only one, which had no repair or extension over the last 10 years. Up to date, when the soum population counts for over 5000, no extension of the service capacity was made. Therefore, to improve access to and quality of medical services to in- and out-patients, there is a need to extend and repair the existing hospital building to establish a child ward, separate rooms for infectious disease and rehabilitation, which will improve the quantitative and qualitative performances of hospital service. Measures on renovation of hospital equipment and provision of modern ones, building of a rest room for pre-parturition mothers and newborn infants are to be undertaken in the framework of the project.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Services on reception, treatment and after-treatment offered by the hospital diversified and the material base improved • The accessibility and quality of medical services to rural population improved and attained 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum citizens • Bag medical doctors
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Soum hospital 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Central government • Donors and international organizations • Professional organizations
<p>Preconditions:</p> <ul style="list-style-type: none"> • Costs and design of the forthcoming extension developed 		<p>Risk Factors: None</p>
<p>Estimated Finances, million MNT: 100.0</p> <ul style="list-style-type: none"> • Expansion of building of soum hospital – 50.0 • Reconstruct new rooms for infectious, non-adult and rehabilitation – 12.0 • Reconstruct rooms for mothers in advanced pregnancy – 3.0 • Re-new equipment for examination, treatment and preventive measures – 10.0 • Re-new equipment of bag doctors – 6.0 • An ambulance vehicle – 10.0 • Transportation of bag doctors – 6.2 • Re-supply of soft materials and items – 2.8 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 2007–2009</p>		<p>Impact Period: Sustainable after the project completed</p>

№ 16	Project: G3:O2:Pr1:Pt1: Reconstructing a training hall at the soum governor's office building	Program: G3:O2:Pr1: Provide support to improve availability of professional and skilled workers
<p>Short Description: The local business-enabling environment survey undertaken by the soum core team in the frame of the DELTA project revealed that the soum businesses experience a shortage of professional and skilled labor force, and the soum government should take efficient measures to launch locally arranged training within its mandate. At the aimag centre and other locations, various trainings are organized where the soum can send own staff and other people. However, the common problem is that not every training matches local needs and the costs are usually high. Needs of proper and full utilization of the local human and professional capacities for a successful LED become high ever been before. To help and facilitate soum-based business enterprises and those who seek jobs with various training, consultation and other public activities, the soum government needs to have its own space made available and equipped with necessary items. As a local contribution, the soum government wishes to allocate a large room in its office building. It kindly calls the attention of principle donors and international organizations/NGOs for their support both financially and technically, in establishing a training room equipped with basic facilities.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • A fully-equipped training hall for professional and technical training and skill-upgrading activities prepared • The local capacity for employment strengthened • The commitment and participation of citizens in LED through training and other activities improved 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Soum government & private sector • Citizens
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • SGO • Donors and international organizations • Civil societies
<p>Preconditions:</p> <ul style="list-style-type: none"> • Design and budget for repair calculated • Description of equipment to be installed 		<p>Risk Factors: None</p>
<p>Estimated Finances, million MNT: 10.0</p> <ul style="list-style-type: none"> • Reconstruct and upgrading a room for training hall – 6.0 • Purchase and install visual, advertisement and demonstration materials – 2.0 • Development and printing of training program, handouts and manuals – 2.0 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 2007–2008</p>		<p>Impact Period: Sustainable after the project is implemented</p>

№ 17	Project: G3:O2:Pr1:T2: Conducting a survey to determine local long-term demand for skill-upgrading training and re-training	Program: G3:O2:Pr1: Provide support to improve availability of professional and skilled workers
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Short Description: The shortage of professional and skilled labor has been one of the hottest problems the soum businesses encounter in the expansion of existing and launching new business. Assuming that the soum government will provide a space (Project: G3:O2:Pr1:Pt1: Reconstructing a training hall at the soum governor's office building), a survey on local demand in training and re-training will be conducted to identify the scope of different needs in spatial and time dimensions. To conduct the survey, financial and professional assistance is needed. The project activities will determine needs to train trainers and development of training programs and curricula, training materials and handouts according to support of businesses principle and projects to be implemented in the frame of the economic development strategy and the present economic and social situation at soum.

Expected Results: <ul style="list-style-type: none"> • Local needs and demand in training and re-training of skilled labor for soum businesses surveyed • Justification for training programs and curricula according to projects to be implemented in the frame of the economic development strategy developed 		Target Groups: <ul style="list-style-type: none"> • Soum citizens • Business entrepreneurs
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Business entrepreneurs 		Potential Actors: <ul style="list-style-type: none"> • SGO • Donors and international organizations • Professional organizations
Preconditions: none		Risk Factors: None
Estimated Finances, million MNT: 3.0		
Contact Organization and Person: SGO		
Implementation Period: 3 months in 2008		Impact Period: Sustainable after the project is implemented

№ 18	Project: G3:G3:Pr1:Pt1: Enlarging the existing police units into an office and extending its areas of action	Program: G3:O3:Pr1: Reduce livestock theft
<p>Short Description: Besides increased and intensified livestock theft, opening coal and gold mining enterprises at the territory of our soum causes enormous formal and informal in-migration of great number of families and people, which creates conditions for different types of conflicts and crimes to take place. To prevent crimes and conflicts, to introduce a signal system controlling the herd movement in order to stop livestock theft, which is the main worry among herders and to exert control of the main routes of transporting livestock from the soum, the soum needs to exploit powers of local police. Currently, a unit with only 2 police officers provides services to the community with over 5000 inhabitants. The main goal of this project is to seek for opportunities to re-organize its police force expanding it as a police team through provision of a place with suitable working conditions, which will help in improvement of the crime situation in the soum and reduction of crime rate and incidences of unlawful actions.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Possibilities to reduce crime and conflicts through fighting the main causes and reasons increased and effectively utilized • The staffing and working conditions for the police officers improved and opportunities to introduce new and effective means for crime control increased • Cooperation between the police and citizens strengthened and livestock theft substantially reduced 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum citizens • SGO • Police officers
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Existing soum policy team 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • SGO • Donors and international organizations / Australian government/ • Aimag police authority
<p>Preconditions:</p> <ul style="list-style-type: none"> • Location of the new building identified • Issues of accommodation for new police officers and employment of their family members resolved 		<p>Risk Factors: None</p>
<p>Estimated Finances, million MNT: 30.0</p> <ul style="list-style-type: none"> • Expand room of policy team into police office – 15.0 • Upgrade working conditions – 2.0 • Provide with transport – 12.0 • Start-up costs – 1.0 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 2010–2011</p>		<p>Impact Period: sustainable after the project is implemented</p>

№ 19	Project: G3:O3:Pr1:Pt1: Improving access of mobile communication networks to herders	Program: G3:O3:Pr1: Reduce livestock theft
<p>Short Description: Herding families of our soum stay in the high mountain ranges of Kharkhiraa–Turgen and Namir over a period of 8 months. There has been no way and means to contact the soum other than visiting by them or passing a message through somebody coming to the bag and soum centre. None of the soum center–based mobile phone services networks /Mobicom, Skytel/ is efficient since the high mountains make the service areas limited compared to that in lowlands. There are 2 ways of resolving the problem of covering herders with mobile communication, which are: (i) installing a mobile phone receiver and transmitter in the village of Khar Tarvagatai, a coal mine located in the heart of main winter–spring pastures, at 40 km from the soum, or (ii) installing satellite antennas in areas nearby bag centers or villages, where feasible and most households gather together.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • The scope and outreach of communication services extended • Possibilities for herders to use fast and reliable modern communications tools improved • Potentials for soum or bag government and businesses to disseminate, publicize and receive important, correct information and messages from herders on timely and direct basis strengthened 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Soum citizens • Communication authority • Private sector
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Communication service 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Donors and international organizations • Private sector
<p>Preconditions:</p> <ul style="list-style-type: none"> • Disseminate information to herders, ensure their preparation to access the services • With public participation identify the area/s where antenna is to be installed • Select and train persons to work as operators 		<p>Risk Factors:</p> <ul style="list-style-type: none"> • Maintenance and repair
<p>Estimated Finances, million MNT: 40.0</p> <ul style="list-style-type: none"> • Install a mobile communication antenna in Khartarvagatai – 28.0 • Install a new satellite antenna – 7.0 • Training in maintenance – 1.6 • Short–term demonstration training and advertisement for herders – 2.4 • Develop/print and distribute instruction for operation and maintenance – 1.0 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 24 months</p>		<p>Impact Period: Sustainable after the project implemented</p>

№ 20	Project: G3:G3:Pr1:Pt3: Testing subcutaneous electronic chips as a means of controlling livestock movement	Program: G3:O3:Pr1: Reduce livestock theft
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Short Description: In the last decade, livestock theft in Tarialan has been on the rise and it has been among soums where livestock theft has a strong trend to grow. Because the soum borders with other 8 soums from the northeast to east of the aimag, and is linked to the all seasonal herd migration routes and central and local roads that keep busy all year around, it has the liveliest traffic with not only soum people, livestock, transport, but also the informal gold and coal miners. This constant movement creates conditions for endless livestock thieving. Over the last couple of years, forms of livestock thieving have changed, if previously herds were stolen from pastures in flocks, now it is taken from enclosures and cases of armed robbery occurs. The project proposes to pilot a transmitter device to control and track the movement of herds via satellite and identify ways of its extended use as a means for a small-scale herd movement signal system.

Expected Results: <ul style="list-style-type: none"> • Potentials of using information received with the signal system to track and control herd movement piloted • Livestock theft declined, and time and money wasted on search of lost livestock reduced 		Target Groups: <ul style="list-style-type: none"> • SGO • Soum citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Soum police office 		Potential Actors: <ul style="list-style-type: none"> • Donors and international organizations (may be Australian Gov-t) • SGO • Soum police office
Preconditions: <ul style="list-style-type: none"> • Gather & collect required information 		Risk Factors: <ul style="list-style-type: none"> • Lack of experience of using such systems in Mongolia • High costs, since specially trained personnel needs to be employed
Estimated Finances, million MNT: <ul style="list-style-type: none"> • Supply of transmitter devices – 40.0 • Train people who will work in bags – 2.9 • Develop and printing of manuals and instruction of handling the devices – 1.5 • Conduct a pilot testing with selected herds and evaluate the results – 5.0 • Prepare and distribute regular information on herd movement – 2.6 		50.0
Contact Organization and Person: SGO, & Police team		
Implementation Period: 2009–2015		Impact Period: Sustainable after the project is implemented

№ 21	Project: G3:O4:Pr1:Pt1: Setting up and equipping a fitness/body building room at the soum governor' office	Program: G3:O4:Pr1: Support public physical education and sports
Short Description: Considering the little progress that is made in the field of healthy lifestyle and fitness because of lack of opportunities for public to spend their leisure time on improving their health status, the soum government takes an initiative to launch a public health improvement and physical education. The project aims to set up a public fitness hall, to provide necessary equipment, train professional instructors, promote public participation in sporting events. The project can be implemented either in stages or in subcomponents.		
Expected Results: <ul style="list-style-type: none"> • A public fitness hall set up • Advancement in healthy lifestyle is observed • Quality of health service improved 		Target Groups: <ul style="list-style-type: none"> • Soum citizens • Secondary schools
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Soum culture centre 		Potential Actors: <ul style="list-style-type: none"> • Central government • Donors and international organizations
Preconditions: None		Risk Factors: None
Estimated Finances, million MNT: 100.0 <ul style="list-style-type: none"> • Construct a space designed for a fitness hall – 75.0 • Purchase and install basic faculties and instruments – 8.0 • Create small sauna and bath – 10.0 • Provide with tools and facilities for mass fitness exercise for public – 6.0 • Prepare and print/distribute manuals, handouts and visual materials – 1.0 		
Contact Organization and Person: SGO		
Implementation Period: 2009–2010		Impact Period: Sustainable after the project is implemented

№ 22	Project: G3:04:Pr1:Pt2: Create a soum fund for promotion of public physical education and sports	Program: G3:3Pt4:Pr1: Support public physical education and sports
<p>Short Description: The soum has been lagging behind in terms of public physical education development, participation of soum population in sporting events, training sport teams to compete successfully in soum, inter-soum and aimag competitions. No promising trend is observed in this field. In the last years, there were not many cases recorded that soum sportsmen won medals at aimag or national level. Therefore, establishment of a publicly-administered fund through mobilizing and promoting various sources is the most effective way to support sports and promote it as a public action with specific emphasis on children and youths. The fund if the idea is accepted will be disposed for providing equipment, sponsoring training and awarding remarkable successes and achievements of soum athletes.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Equipment, tools and facilities for public sport and recreational activities improved • A local fund for promoting sports and public physical education in the soum set up • The scope and benefits of sports and other public activities increased • Conditions to advance the rating of the soum athletes at aimag and national arenas created 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Soum citizens
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Donors and international organizations • Private sector • SGO
Preconditions: Prepare a sports hall		Risk Factors: None
Estimated Finances, million MNT:		5.0
Contact Organization and Person: SGO		
Implementation Period: 2008– 2010		Impact Period: The results will be utilized in a sustainable way after the project completed

№ 23	Project: G4:O1:Pr1:Pt1: Development of a soum mid-term program of intensive livestock farming	Program: G4:O1:Pr2:T2: Support development of intensified livestock production
<p>Short Description: Implementation of the priority set by the government in the area of livestock development to introduce intensive livestock farming locally in order to reduce negative impact of numerous natural and ecological factors and to meet the market demand, needs further acceleration. Although Tarialan people enjoy good sources for preparing high quality cultivated hay and other kinds of animal feed, the experience and skills to run livestock farming in an intensive way seems still low to practice it as an integrated business. Therefore, a mid-term program should be developed with participation/contribution of soum stakeholders to determine the soum policy and activities to be undertaken. The program will ensure better consolidation of local efforts at all levels, in terms of policy and practices.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • A soum policy on intensification of livestock production developed • A mid-term program on intensification of livestock production developed • Advancement in the integrated livestock breeding and crop farming are in presence 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Herders, crop people
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Central government • Donors and international organizations • Professional organizations
Preconditions: none		Risk Factors: None
Estimated Finances, million MNT:		1.0
Contact Organization and Person: SGO		
Implementation Period: in 2008		Impact Period: The impacts will be visible after the project developed

Nº 24	Project: G4:O1:Pr1:Pt2: Developing a mid-term activity proposal for re-organizing and strengthening soum veterinary and livestock breeding service	Program: G4:O1:Pr2:T2: Support development of intensified livestock production
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Short Description: If the soum businesses are to promote livestock production towards introduction of basic elements of intensification and strengthening and the control of quality and safety of products sold to markets, priority should be given to the strengthening of the livestock breeding, selection and health services, making it widely accessible. In order to improve the breed quality and productivity of livestock, establish flocks of breeding stock and reduce livestock diseases, a proposal on re-organizing and strengthening soum veterinary and livestock breeding service, accompanied with measures on renovation of equipment and strengthening capacity of staff should be developed. The proposed project will cover these issues.

Expected Results: <ul style="list-style-type: none"> Proposals for renovation of the livestock breeding and veterinary service with emphasis on development of intensified livestock developed Breeding and selection office provided with necessary equipment 		Target Groups: <ul style="list-style-type: none"> SGO Soum animal breeding and veterinary service Herders engaged in intensive livestock breeding
Potential Stakeholders to Participate: <ul style="list-style-type: none"> SGO Soum animal breeding and veterinary service 		Potential Actors: <ul style="list-style-type: none"> SGO Donors and international organizations Professional organizations
Preconditions: <ul style="list-style-type: none"> The overall policy background for intensified livestock production developed 		Risk Factors: None
Estimated Finances, million MNT: 30.0 <ul style="list-style-type: none"> Supply and install equipment and facilities needed for the livestock breeding service – 10.0 Establish and inventory a space for training – 5.0 Set up 2–3 AI service points – 23.0 Start-up source for the AI points and other newly created services – 1.5 Provide with transportation – 8.5 Prepare/print and distribute manuals, references and handouts for herders – 2.0 		
Contact Organization and Person: SGO & Soum animal breeding and veterinary service		
Implementation Period: 2008–2010		Impact Period: The results will be made sustainable after the project completed

№ 25	Project: G4:O1:Pr1:Pt3: Introduction of a partnership service for genetic improvement of local livestock herds	Program: G4:O1:Pr2:T2: Support development of intensified livestock production
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Short Description: The broader shifts to the intensive livestock farming by the pastoralists either would require improvement of the herd genetics through introduction of high-producing exotic breeds or supply of improved indigenous races as improvers. In this case, what the soum can do is to establish a local intermediated service that is engaged in the provision of professional expertise and consultancy to herders and livestock breeders. The soum government should intervene through delegating the food and agricultural officer, who will get in contacts with those enterprises and citizens in other aimags and soums where the high-producing livestock herders want to import are bred. For the today' standard, the costs the operation would require would be poorly affordable by both the soum and herders. Therefore, the soum needs to get donor financial support to cover those costs associated with the supply of improved genetics and obtaining equipment and tools necessary for the service.

Expected Results: <ul style="list-style-type: none"> • Improvement in the intermediary potential of the soum to supply herders and breeders with improved breeding stock in order to support intensive livestock breeding development • Formulation of methodology and procedures of strengthening locally the government control over livestock breeding service • Important stimulus to encourage herders in exchange of sires and specializing on raising and marketing of locally-bred pedigree stock introduced 		Target Groups: <ul style="list-style-type: none"> • SGO • Soum citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Actors: <ul style="list-style-type: none"> • SGO • Central government • Donors and international organizations
Preconditions: <ul style="list-style-type: none"> • A soum mid-term program on "Intensified livestock breeding development" developed • Issues of establishing the intermediating service discussed with herders and breeders 		Risk Factors: None
Estimated Finances, million MNT: 30.0 <ul style="list-style-type: none"> • Establishing selected flocks of local yaks, sheep and cattle – 12.5 • Establish a model animal feed plant with cultivated land for fodder crops – 9.0 • Supply of small scale machineries and implements – 4.5 • Costs for purchase of seed, fertilizer, and other materials and start-up – 2.5 • Tools for training and advertisement – 1.5 		
Contact Organization and Person: SGO		
Implementation Period: 5–8 years from 2009		Impact Period: Sustainable after the completion of the project

Nº 26	Project: G4:02:Pr1:Pt1: Reconstructing and making available a building for a food market	Program: G4:02:Pr1: Provide support to improve quality and accessibility of trade and communal services
<p>Short Description: In the soum, no potentials exist to afford creating those conditions for selling stable food products that meet the hygienic standards and requirements mainly due lack of large companies and enterprises who could invest in building a place for food market. Reviewing this situation as an urgent issue to be solved in the near future, the soum government proposes to allocate a building registered in the local ownership. The soum government sees the ways to solve this problem through reconstruction of a building to be used as a food market and restoration of heating, water and lighting along with repair of the interior. The implementation of this project will halt selling of meat and milk on the streets and encourage herders to sell their products by themselves.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • A food market opened • Quality and hygiene of food products improved • Sales and prices of food products stabilized and availability improved 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Private sector • Soum citizens
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO • Private sector • Soum herders and citizens 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Central government • Donors and international organizations
<p>Preconditions:</p> <ul style="list-style-type: none"> • Design and costs calculated • Quantities and types of equipment and facilities to be installed determined 		<p>Risk Factors: None</p>
<p>Estimated Finances, million MNT: 13.0</p> <ul style="list-style-type: none"> • External and internal reconstruction – 6.0 • Installing new heating, water and electricity connected to central network – 2.0 • Desks and small storage facility – 2.0 • Facilities for washing, cleaning and disinfection – 1.5 • Upgrading outside areas – 1.5 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 12 months since 2008</p>		<p>Impact Period: The operation of the newly opened market will be stable after the project implemented</p>

№ 27	Project: G4:O3:Pr1:Pt2: Reconstructing and making available a building for establishing a trade and communal service centre	Program: G4:O2:Pr1: Provide support to improve quality and accessibility of trade and communal services
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Short Description: Provision of a regular and accessible communal service (hair dressing, shoe repair, bathhouse and other small repair shops) to the soum citizens is still waiting for its effective solution. Special needs are to locate all services and workshops in one place for easy access/delivery and concentrated location of all services would also facilitate the local government to exercise certain control. To contribute to the improvement of local communal services, the soum government has made a decision to allocate a building where the centre can be accommodated. After implementation of this project, opportunities to develop SME and to set up a complex service facility will expand. Small businesses will be given opportunity for training, practice and re-training which will contribute to sustainability of project outcomes.

Expected Results: <ul style="list-style-type: none"> • A new complex service facility opened • Support to small-scale service deliverers extended • The services regularized and quality and hygienic conditions improved 		Target Groups: <ul style="list-style-type: none"> • SGO • Local SME entrepreneurs • Soum citizens
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Actors: <ul style="list-style-type: none"> • Central government • Private sector • Donors and international organizations
Preconditions: <ul style="list-style-type: none"> • Design and costs of the building calculated 		Risk Factors: None
Estimated Finances, million MNT: 200.0 <ul style="list-style-type: none"> • Construct a building designed for trade and communal service – 112.0 • Internal upgrading and make up – 5.0 • Installing new heating, water and electricity connected to central network – 25.0 • Desks and storage facility – 20.0 • Facilities for washing, cleaning and disinfection – 35.0 • Upgrading outside areas – 3.0 		
Contact Organization and Person: SGO		
Implementation Period: 24 months from 2011		Impact Period: The results will be utilized in a sustainable way after the project is completed

№ 28	Project: G5:O1:Pr1:Pt1: Development of a soum general land management plan	Program: G5:O1:Pr1: Create conditions for improved public and administrative services
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Short Description: Aside soum-based businesses and residents, enterprises and people from the aimag centre and other soums arrive to launch various business activities mostly in agriculture, mining and nature protection to make use and benefit from the land and its resources. This trend seems to increase in the future. Under such conditions, a challenge to develop and implement a soum general land use plan in agreement with the relevant components of the General Land Management Plan of Uvs aimag has become urgent. The plan will be used as the guiding document for coordinating land ownership by soum residents, long-term rent of arable lands and practical integration of the results of the project 4 on pasture co-management, the project 22 on development of intensive livestock breeding, and project 1 on evaluation of the soum natural environment. Development of the plan will become an important step to adjust public services towards improvement of soum business-enabling environment.

Expected Results: <ul style="list-style-type: none"> • A general land management plan developed • Possibilities and opportunities to link the land use with other projects included in the LED strategy enhanced 		Target Groups: <ul style="list-style-type: none"> • SGO
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Actors: <ul style="list-style-type: none"> • Donors and international organizations • Aimag land management authority
Preconditions: <ul style="list-style-type: none"> • The other strategic projects are possible to be implemented 		Risk Factors: None
Estimated Finances, million MNT: 12.0 <ul style="list-style-type: none"> • Review of current situation of land tenure along with a registry of existing rights – 3.4 • Development of general land management plan – 0.7 • Revise and re-print the soum land maps – 4.5 • Training and public awareness promotion activity – 0.6 • Prepare and print training materials, manuals and leaflets – 0.8 		
Contact Organization and Person: SGO		
Implementation Period: 6 months in 2007–2008		Impact Period: The plan will be implemented in a sustainable manner

№ 29	Project: G5:O1:Pr1:Pt2: Reconstruction and extension of soum and bag administration offices	Program: G5:O1:Pr1: Create conditions for improved public and administrative services
<p>Short Description: The building in which the soum government offices are located has not undergone external and internal repair and the heating and electricity lines have been used over many years without capital reconstruction. The bag centers also do not meet requirements for providing efficient public services. It would be helpful to implement a project on the repair, expansion and refurbishment of the soum and bag government offices in integration with other projects incorporated in the LED strategy such as introduction of one stop shop, reconstruction of soum centre heating system and electricity lines, and improvement of lighting. As a result of project implementation, a significant improvement of the working conditions along with improvement of quality, effectiveness, accessibility of the public service will be achieved.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • The overall image of the public service and the working conditions of civil servants improved • Conditions of public service to the citizens improved • New forms and arrangements of public service introduced 		<p>Target Groups:</p> <ul style="list-style-type: none"> • SGO • Soum citizens
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • SGO 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • Central government • Donors and international organizations
<p>Preconditions:</p> <ul style="list-style-type: none"> • Design and costs prepared • Budgets from the government sources earmarked 		<p>Risk Factors:</p> <ul style="list-style-type: none"> • Not reflected in the central government budget
<p>Estimated Finances, million MNT: 130.0</p> <ul style="list-style-type: none"> • Extension of office building of soum government and SCRKh – 100.0 • Upgrade internal construction and working conditions – 19.0 • Reconstruction of offices of 4 rural bags – 9.0 • Upgrading surrounding areas – 2.0 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 2007–2011</p>		<p>Impact Period: The outcomes will be used after the project is implemented</p>

Nº 30	Project: G5:O1:Pr1:Pt3: Reconstruction of soum centre central roads along with reconstruction of street addresses, lighting, traffic signs	Program: G5:O1:Pr1: Create conditions for improved public and administrative services
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Short Description: It is not reasonable to view that reconstructing the addresses of the offices, business entities, apartments and streets of the ger districts would largely contribute to the improvement of the appearance of the soum centre only. When numerous measures for upgrading the soum centre in the frame of LED projects, including projects such as land management, opening up new places for the communal service centre and food market, creation of new production and service SMEs and reconstruction of buildings of public services and facilities are implemented, addresses are exceptionally important to keep a proper public arrangements and order from the beginning. A sketch map marked with the locations of the objects both in the soum centre and beyond will be produced, streets are laid out and addresses re-arranged according to a soum centre development plan. Other LED projects (NO 27, 28, 29 and 33) will have important links with this project. Roads will be also re-marked with traffic signs and plates. The project outcomes will largely contribute to the planning for extension of the urban areas and making new/closing old roads to regulate the traffic, to reduce further soil erosion and soil and air pollution. Thus, it will be an important measure for rehabilitation of the soum centre environment. With regard to funding, the project can be implemented in several stages, as lighting improvement and renovation of addresses etc.

Expected Results: <ul style="list-style-type: none"> • The appearance of the soum centre improved • Regulation of the traffic within the soum centre and in the surrounding areas put in effect • Erosion and damage of the soil in the urban areas of the soum by traffic and unregulated pedestrians reduced • The effects of the garden development and upgrading green areas improved 	Target Groups: <ul style="list-style-type: none"> • SGO • Dwellers in the urban and resident areas
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 	Potential Actors: <ul style="list-style-type: none"> • Donors and international organizations
Preconditions: <ul style="list-style-type: none"> • Design and budget prepared • Share of funding from the central budget negotiated 	Risk Factors: None
Estimated Finances, million MNT: 25.0 <ul style="list-style-type: none"> • Make sketch map of urbanized part of the soum centre – 3.5 • Reconstruct lighting in streets, apartment area and ger district – 12.5 • Address of streets, apartments and ger district – 3.0 • Traffic signs along main in and out roads – 3.5 • Build barriers to prevent diverting and making new roads – 1.5 	
Contact Organization and Person: SGO	
Implementation Period: 24 months from 2007	Impact Period: The results will be sustainable after the project completed

№ 31	Project: G5:O1:Pr1:Pt4: Improving housing for the civil servants (to build 32 new apartments)	Program: G5:O1:Pr1: Create conditions for improved public and administrative services
Short Description: In order to provide a sustained service, problems associated with improvement of living conditions of civil servants should be addressed and resolved as the first priority. It has been planned to build 32 new apartments in the framework of the government program “40000 apartments”.		
Expected Results: <ul style="list-style-type: none"> • The living conditions of soum civil servants improved • Guarantees for the attainable service by the civil service ensured 		Target Groups: <ul style="list-style-type: none"> • SGO • Civil servants
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Actors: <ul style="list-style-type: none"> • Central government
Preconditions: <ul style="list-style-type: none"> • Land for the new apartments allocated • Finances for leasing of new apartments settled • Maps to connect new buildings with the infrastructures developed 		Risk Factors: <ul style="list-style-type: none"> • Not enough government financing
Estimated Finances, million MNT:		240.0
Contact Organization and Person: SGO		
Implementation Period: Continued over 6 years, 2009–2015		Impact Period: Sustainable after the project is completed

№ 32	Project: G4:O1:Pr1:Pt5: Establishing & introducing "One stop service"	Program: G5:O1:Pr1: Create conditions for improved public and administrative services
<p>Short Description: One of the commonly proven ways to streamline and rationalize public service and eradicate any forms of bureaucracy is the introduction of "One stop shop", which offers major services as a package. The shop will provide information and consultancy, and legal frameworks associated with the successful business. The major public service providers will be re-located in one place, equipped with computers and software, and an information databank and internal network will be established. Implementation of the project will provide an opportunity to access all services in one place, making public services swift and transparent.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • The quality and speed of public service improved • "One stop shop" with services related to businesses established • Bureaucracy reduced along with improved transparency • Cases that may induce corruption eradicated 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Citizens • Business entrepreneurs • SGO
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • Soum Citizens' Representatives Khural • SGO 		<p>Potential Actors:</p> <ul style="list-style-type: none"> • SGO • Donors and international organizations • Business entrepreneurs
<p>Preconditions:</p> <ul style="list-style-type: none"> • Place where to locate the "One stop shop" identified • Information related to equipment and facilities collected 		<p>Risk Factors: None</p>
<p>Estimated Finances, million MNT: 8.0</p> <ul style="list-style-type: none"> • Reconstruct a space for the "One stop shop" – 5.0 • Reconstruct heating and lighting and electivity – 1.0 • Upgrade internal service faculties – 1.0 • Install some equipment and internal network – 1.0 		
<p>Contact Organization and Person: S.Tsolmon, soum governor D.Gombosuren, deputy governor</p>		
<p>Implementation Period: 2007– 2008</p>		<p>Impact Period: Sustainable after the project is completed</p>

№ 33	Project: G5:02:Pr2:Pt1: Reconstruction of soum centre heating facilities to build a centralized heating network	Program: G5:03:Pr1: Improve electricity and heating supply at soum centre
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Short Description: Those offices, enterprises and apartments, which are lacking connections to the central heating system in the soum centre experience serious difficulties in their normal functioning and discomfort to the life in cold seasons. It is impossible to put any new extension of the pipeline networks to it since the system exhausted its capacity. The project aims to reconstruct the existing heating system and expand it in a planned way and increase its capacity to enhance its reliability.

Expected Results: <ul style="list-style-type: none"> • The costs of the maintenance and repair of the heating system reduced • Reliability of the heating of organizations, enterprises, offices and apartments improved • Potential to connect new objects and expand the system farther to other users extended 		Target Groups: <ul style="list-style-type: none"> • SGO • Soum-based organizations and entities
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO 		Potential Actors:: <ul style="list-style-type: none"> • Central Government • Donors & international organizations, NGOs
Preconditions:: <ul style="list-style-type: none"> • Budgets and working design of the forthcoming reconstruction prepared • A general plan for development of the soum centre developed 		Risk Factors:: <ul style="list-style-type: none"> • Failure to earmark financing in the state budget
Estimated Costs, million MNT: 300.0 <ul style="list-style-type: none"> • Install a low-pressure heating central – 50.0 • Reconstruct heating network that connects offices and enterprises with the central heating system – 250.0 		
Contact Organization and Person: SGO		
Implementation Period: 2010–2013		Impact Period: Sustainable after the project is completed

№ 34	Project: G5:02:Pr1:Pt2: Reconstruction of electricity lines at soum centre	Program: G5:03:Pr1: Improve electricity and heating supply at soum centre
<p>Short description: Lack of a proper maintenance and planned reconstruction of the electricity lines in the soum centre led to deterioration of power lines and transformers, which causes increased power cuts and sudden fluctuations that present danger of fire. The unreliable electricity supply seriously affects the regular functioning of many organizations and causes discomfort to the people. There are no possibilities to expand the current network. The project will be aiming to ensure reliability of power supply in the centre. Activities on the reconstruction of the power network and expansion of its capacity are the main activities for the project to implement.</p>		
<p>Expected Results:</p> <ul style="list-style-type: none"> • Costs of the maintenance and repair of the electric power supply system in the soum centre reduced • Organizations, enterprises and people provided with a reliable power source • Potentials for expansion of the network increased 		<p>Target Groups:</p> <ul style="list-style-type: none"> • Soum citizens • Business entrepreneurs
<p>Potential Stakeholders to Participate:</p> <ul style="list-style-type: none"> • Central Government • SGO • Energy supply authorities 		<p>Potential Actors::</p> <ul style="list-style-type: none"> • Central Government • Donors & international organizations, NGOs
<p>Preconditions::</p> <ul style="list-style-type: none"> • Budgets and working design of the forthcoming reconstruction prepared • A general plan for development of the soum centre developed 		<p>Risk Factors::</p> <ul style="list-style-type: none"> • Failure to earmark financing in the state budget
<p>Estimated Costs, million MNT: 50.0</p> <ul style="list-style-type: none"> • Reconstruction of high voltage electricity lines in the soum centre – 10.0 • Install new electricity transformer – 30.0 • Replace existing electricity poles in ger district – 6.0 • Put up new electricity poles – 4.0 		
<p>Contact Organization and Person: SGO</p>		
<p>Implementation Period: 1 year from 2009</p>		<p>Impact Period: The real long-term impacts are expected after the project completed</p>

№ 35	Project: G3:O2:Pr2:Pt4: Reconstruction of lighting of the soum centre	Program: G5:O3:Pr1: Improve electricity and heating supply at soum centre
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Short description: It is expected that the implementation of the projects included in the soum LED strategy will bring about wonderful changes and improvements in the appearance of the Tarialan soum centre, but the reconstruction of lighting along main streets and other important locations will add more effect. To upgrade the lighting in the soum centre, more work is required to be done to improve lighting in the streets, around offices and business enterprises and in ger districts. In order to achieve this, such works as reconstruction of power lines, putting more lampposts and new lines will be arranged. This project will be implemented in integration with projects on reconstructing addresses and traffic signs in the soum centre.

Expected Results: <ul style="list-style-type: none"> • The lighting in the soum centre improved • Reliability of power network improved 		Target Groups: <ul style="list-style-type: none"> • SGO • Organizations & business enterprises
Potential Stakeholders to Participate: <ul style="list-style-type: none"> • SGO • Organizations & business enterprises 		Potential Actors: <ul style="list-style-type: none"> • Central Government • Donors & international organizations, NGOs
Preconditions: <ul style="list-style-type: none"> • Budgets and working design of the forthcoming reconstruction prepared • The financial, material and labor contribution by the soum identified 		Risk Factors: None
Estimated Costs, million MNT: 30.0 <ul style="list-style-type: none"> • Mapping and developing plan for reconstruction of lighting of the soum centre– 1.5 • Install lampposts and lights along the central streets and service areas – 22.5 • Install night lights in urban and ger districts– 6.0 		
Contact Organization and Person: SGO		
Implementation Period: One year		Impact Period: Sustainable after the project is completed

